Executive Summary

The OST Needs Analysis project was conducted by Macro International Inc. (prime contractor) and its subcontractors, Larson Slade Associates, LLC., and Arrowhead Technologies, Inc. from December 19, 1996 to April 7, 1997.

The primary purpose of the project was to provide the Office of the Special Trustee for American Indians with an analysis of the various components of the American Indian Trust system (i.e., trust accounting, asset management and land title and recordation) based on the perspective of the end users in the field (OST employees, BIA employees, Tribes, and others). In addition, the project included specific reporting on the gaps that exist between the current Indian Trust system and trust departments in the commercial sector; the features needed in a new system which meets commercial standards; the training needs and requirements of staff; the key business events used in day-to-day trust business; an inventory of the equipment needs of end users; and, a recommendation on whether existing Government capabilities are adequate to satisfy the needs and requirements of a new trust system.

The project was modified three times to add further reporting elements to its scope, including: a validation of the Conceptual Strategic Plan including cost estimates; an increased analysis of oil and gas assets management; a review of commercially available land title and recordation applications and service bureau support; revisions of the Strategic Plan budget; and the development of roles and responsibilities of a systems integration and overseer for the integration, implementation and sustained management of a new trust management system.

The primary means by which the Macro project team gathered such information was through site visits to 50 Tribal locations, 35 BIA agency offices, 8 BIA area offices, one BIA field office and the OTFM headquarters office in Albuquerque, NM. Approximately 350 confidential interviews were conducted; however, since some of these were recorded as "joint interviews" (two or more people participating in a single interview on a specific subject or function), only 330 official responses were recorded. These responses were entered into a database and compiled into analysis segments with all personal or location identification removed. Additional data was gathered from interviews with OST officials and staff, service bureau providers, project resource firms (Riggs Bank, NationsBank, State Street Bank and Trust), Tribal representatives, and others.

Data analysis consisted of a systematic review of the database responses and a review of information gathered from additional resources, reports, and interviews.

Key Findings and Recommendations

Based on the field interviews and the project team’s review and analysis of trust-related data, four major findings were identified and recommendations developed. They include:

Fiduciary Responsibility

The trust fiduciary responsibility to manage trust assets and accurately report on their status to beneficiaries is not being met. The existing trust system does not account for each and every asset under its responsibility and there is no method for gauging the accuracy of information depicting the

assets for which they do account. The trust system is unable to provide the individual Indian account holder with a statement of assets and transactions for non-financial assets. A major deficiency in the existing system is the lack of accounting and control of the most important trust asset to the beneficiary—the land. In addition, responsibility for the management of trust accounting, asset management and land records rests with two different organizations, the Office of the Special Trustee and the Bureau of Indian Affairs. Without systems capability or, control of the most essential trust asset (land), and without single-point management responsibility, the current trust system cannot be considered operating at a commercial standard.

Recommendations

- A single trust organization with management control over both resource and financial assets utilizing standard commercial applications programs to process data for trust asset and financial accounting, for land title and recordation, and for carrying out fiduciary responsibilities and reporting to American Indian Trust account holders.
- New and updated policies, practices and procedures for implementation and operation of the new information technologies infrastructure.
- Acquisition of a dial-up communications (WAN/LAN) network to link trust locations (regional, field, Tribes, MMS, and BLM) with the single trust organization.
- Acquisition and upgrade of workstations with required hardware and software to enable all trust system staff and the 300 Tribal sites direct access to account information through the dial-up network.

Trust Data and Information

Although a new commercial system will have the capability of processing current and historical land information, existing data relating to land ownership and valuation is not in suitable condition or is nonexistent. Land appraisals are out of date and, if they exist at all, are perceived by many owners to be inaccurate. There are major appraisal backlogs in most field locations.

American Indian properties are fractionated as a result of generation after generation of inheriting undivided lands. Some properties are fractionated to the 35th decimal and incomes are essentially zero or not accountable.

The filing, storage and retrieval process of hard copy documents is inefficient. There is an overabundance of documents (which are vulnerable to disaster) and a lack of facilities and trained personnel to safeguard and preserve them.

Recommendations

- A reconciliation of historical land titles and the appraisal of Indian lands must be completed before any new system can provide accurate information to account holders regarding this critical trust asset.
- Enact legislation to resolve fractionated ownership.
- Establish a national archives to image, store and retrieve official and historical documents.
- Acquire and/or upgrade hardware and software equipment to enable field offices to image, store and retrieve documents.
- Update and complete file jackets, records, and accounts to provide the new commercial trust system with accurate information for processing.

Organizational Staffing, Training & Development

A new commercial trust system will have the capacity to process accounting, asset management and land information; the reconciliation of land titles and the appraisal of Indian lands will provide accurate land records; a national archives will insure that official documents and historical trust records are maintained; a communications network will enable user access to trust information; and, hardware and software purchases and upgrades will enable the internal and external trust system users to image, store and retrieve documents. However, all of these important tasks will not, by themselves, improve the Indian Trust system unless an effective and efficient staff is able to carry out these tasks.

Field interviews indicated that recent reductions in staff have resulted in current employees being forced to handle tasks for which they have no formal training. On-the-job training is almost solely relied upon to prepare employees for their jobs. This has resulted in deficiencies in quality and timeliness of many work tasks. The concept of fiduciary trust responsibility is not readily apparent at OST and BIA field offices, although OST staff in Albuquerque are exceptions. While the effort of most employees is exemplary, many employees have responded to this difficult situation by either resigning themselves to never getting their jobs done correctly or becoming so achievement-oriented that they are nearing physical and mental exhaustion.

Recommendations

- Provide a variety of trust activities training related to improving job functions, improving customer service, understanding trust services, dealing with stress, and handling the transition of the current trust system to a new commercial system.
- Implement functional improvement training on an on-going basis.
- Conduct training related to the commercial trust transition to coincide with the "roll-out" of the new system in the FY 1998-FY 2000 time frame.
- Make a commitment to bolster the capability of the field offices by acquiring more staff with trust banking experience to provide needed technical support to fellow employees.
- Establish a "help-desk" system from regional and central offices as additional backup and support to current field staff.

Administrative

Two major administrative issues need to be resolved in order to improve the Indian Trust system. They are: resolve the probate backlog; and, resolve the relationship difficulties between OST and BIA field employees.

Probate Process

The probate process takes much too long to complete due to fractionated land ownership, incomplete files and records, under staffing, and too few Office of Hearings and Appeals (OHA) administrative judges to adjudicate the case load.

Recommendations

- Enact legislation to resolve fractionated land ownership.
- Increase administrative staff levels to enable probate case information to be compiled in a more

timely manner.
- Increase the number of administrative judges thereby increasing the number of probate cases that can be adjudicated annually.

OST/BIA Relationship

The relationship between OST and BIA field employees is strained and in need of immediate clarification. Agreements between these organizations are required in such areas as staff roles, procedures, authority, and reporting relationships. This situation has resulted in employee frustration in both organizations and a concern that preferential treatment is being received by one group or the other.

Recommendations

- Establish an agreement between the two organizations to provide much-needed leadership and guidance to OST and BIA employees across the United States.
- Establish a single organization with all trust activities under one manager.

"The earth is full of minerals of all kinds. . .
The ground is covered with forests of pine -
If we give this up—
it is the last thing that
is valuable to us or the white people —"

White Ghost

Chapter 1 - Introduction

Overview

The awarding of the OST Needs Analysis project to Macro International Inc. (Macro) in December, 1996 began a 107-day effort to collect data from over 50 Tribes, and from 44 Bureau of Indian Affairs' area and agency offices in 19 states. Approximately 350 interviews were conducted. The information collected from the field was analyzed, and recommendations were formed and eventually fashioned into required reports.

Working with its two subcontractors, Larson Slade Associates, LLC., and Arrowhead Technologies, Inc., the Macro project team consisted of over 50 people. Training was provided to all data collection teams prior to their departure to insure a standardization in the data collection methods and, most importantly, to insure that cultural sensitivities were addressed.

Collected data was transmitted back to Macro's headquarters in Calverton, Maryland on a daily basis from teams of field data collectors. This data was compiled and later used as the key source of analysis since it represented the "voice from the field." Experts from the project team also added their own perspectives and recommendations to the field data.

Analysis was conducted at two different times over the course of the project. The first was in preparation for a progress report which provided OST officials with a preliminary review of the data collected from approximately one hundred interviews. The second analysis was completed following the completion of all field interviews.

Also, progress reports were provided every 20 days outlining progress to date, staffing changes (if required), anticipated tasks, and anticipated problems and proposed solutions.

Background

This project came about as a result of the establishment of the Office of the Special Trustee (OST) in October 1994 by an act of Congress. The Special Trustee oversees and coordinates reforms of practices relating to management of the Indian Trust and was charged with the responsibility of developing a strategic plan to execute the Secretary of Interior's responsibilities as delegated by The American Indian Trust Fund Management Reform Act in 1994.

In October 1995, the Special Trustee began an assessment of trust policies, practices and procedures as they apply to trusts held by individual Indians and by the Tribes themselves. The preliminary result of this assessment and plans for improvement were incorporated into the February 1996 Conceptual Strategic Plan.

The Office of the Special Trustee continued to assess the trust system. Additional reports, such as the "Mathis Report" in December 1995, the "Tiger Team Report," the Bureau of Indian Affairs' "Tribal Trust Funds Reconciliation Project," and other related documents all confirmed that the policies, procedures and systems of the trust system were inadequate to meet the requirements of The

American Indian Trust Fund Management Reform Act. The Special Trustee's Conceptual Strategic Plan states, "To meet these objectives and deal with the present and future (environment), accounting and management systems must be improved and brought up to commercial standards available in the private sector as soon as possible. Only this will permit an accurate and full accounting to American Indian beneficiaries and allow for the proper discharge of the Secretary's trust responsibilities."

The OST Needs Analysis project was developed to identify a number of specific gaps in the system, i.e., identification of business events, comparison of a commercial trust department to the current trust system, an updated equipment inventory, etc., and to validate costing. Most importantly, however, was the Special Trustee's need to ascertain the specific needs and requirements of the internal and external users of the trust system from their own perspectives. In fact, no comprehensive end user requirements analysis had ever been completed. This field perspective would enable the Special Trustee to complete a picture of the trust system of the future.

Case for Action/Purpose

Based on the findings from the field, there is a sense of urgency that key changes in the trust system need to be implemented as soon as possible. There are three driving reasons for this sense of urgency:

- **The current trust system is not providing account holders with the information about their trust assets of which they are entitled.** According to The Reform Act, Section 303, the Special Trustee is to insure that appropriate policies and procedures are established, and develop necessary systems "to prepare accurate and timely reports to account holders (and others, as required) on a periodic basis regarding all collections, disbursements, investments, and return on investments related to their trust accounts."

- **The Special Trustee's Draft Strategic Plan (February 1997) proposes to bring the trust accounting and management systems up to commercial standards within two years.** For many years, underfunding and understaffing have resulted in the U.S. Government being unable to keep up with needed technological changes and reforms in trust management policies, procedures and practices. This situation will grow worse each day until major reform is completed.

- **Legal proceedings brought against the U.S. Government by Indian Tribes to resolve trust-related grievances indicate that trust beneficiaries will no longer wait for a slow-moving bureaucracy to solve their trust problems.** According to the Special Trustee's Strategic Plan, Supreme Court findings on the management of Indian property have held officials of the U.S. to "moral obligations of the highest responsibility and trust" and "the most exacting fiduciary standards." The immediate restructuring of the trust system to meet commercial standards will resolve many of the problems which account holders now have with the system (e.g., reconciliations, reporting, land ownership). As increased service to account holders is provided by the trust system, the need for legal remedies to resolve problems will be reduced.

Scope

The OST Needs Analysis project was comprehensive in nature in several ways. Geographically, the 350 interviews were completed from a wide assortment of Tribes, Agencies and Area Offices in 19 states during the winter months of January and February (See Figure 1). Technically, the project also required a keen understanding of commercial trust systems and state-of-the-art information technology to conduct a thorough comparison between the current (or as-is) system and the future (or to-be) system.

Specifically, the project also required the Macro project team to:

- Identify various internal and external business events in the daily trust business
- Determine the needs of the internal and external users of the trust data
- Analyze skills necessary to fully use the data and identify training requirements
- Compare and contrast a commercial trust department’s capabilities and features with those of the Department of Interior’s current trust management system
- Recommend skills required by internal and external users
- Recommend training required by the internal and external users to make them ready to use a new "information infrastructure"
- Recommend both time and cost estimates in the delivery of the training
- Provide an inventory of all end user equipment and determine the viability of the equipment for use with a "new information infrastructure"
- Recommend whether or not existing Government resources can satisfy the needs and requirements of the new system
- Analyze the needs and requirements for and make recommendations on the features needed in a new system(s) to meet the needs and requirements of the eight elements outlined in the Strategic Plan:
    1. A trust resource/asset management system.
    2. An accounts receivable data and billing system that uses lease-contract and lease land ownership information.
    3. A trust, depository, payments and delivery system for Individual Indian Money (IIM) accounts.
    4. A land records and title recordation and certification system.
    5. A general ledger and general ledger accounting system.
    6. A technology services center dedicated to trust resources and fund management.
    7. A national archives and record center.
    8. A risk management and control system.

Contract Modification One

This contract was modified to add the following tasks to its scope:

- Submit the final deliverables by March 31, 1997

- Submit a progress report by February 7, 1997
- Allow more time and analysis to the areas of land ownership (Land Title Records Office) functions and those functions related to oil and gas responsibilities
- Provide the Special Trustee with a verification and validation of Phase One of the Strategic Plan for the American Indian Trust Fund Reform. This verification will take into consideration undetected issues, concerns and assumptions that may influence the implementation of the Strategic Plan or its budget
- Present preliminary findings to the Special Trustee in Albuquerque, NM on February 7, 1997
- Present preliminary findings to the Special Trustee's Advisory Board in Santa Fe, NM on February 11, 1997

Contract Modification Two

This contract was modified to include the following task:

- Attendance of selected Macro project team members to present preliminary findings at a meeting of Tribal leaders and OST officials on March 17, 1997 in Denver, Colorado

Contract Modification Three

This contract was modified to include the following:

- Extend the contract until April 7, 1997
- Amend the due date for the draft final report to March 31, 1997
- Examine commercially available software for applicability to Land Title Records
- Examine availability of service bureau systems of Land Title Records
- Develop a Land Asset Management budget for pre-leasing activities
- Develop a budget for the post-leasing process
- Develop a budget for ongoing appraisals, based on the average costs of commercial appraisals
- Develop a budget for appraisals based on the current appraisal backlog
- Examine and provide a rationale for the impact on American Indian Trust Development Administration (AITDA) staff, if training is not completed
- Examine and provide a rationale why more training funds are needed in Fiscal Year 1998
- Examine and provide a rationale for the impact on AITDA if the budget were to be implemented

over 5 years

- Develop the role and responsibilities of a system integrator and overseer for the integration, implementation and of sustained management of a new trust management system (e.g., Trust Asset and Accounting Management System (TAAMS), and Land Title Records (LTR))

Methodology

This project required a multi-talented team of experts from a number of technical fields to work cooperatively to plan, develop and execute a systematic approach for obtaining key data from internal and external trust system users at field locations throughout the U.S., and from OST staff in Albuquerque, NM.

Two types of data collection teams were utilized during the project. The first consisted of four, three-person teams who conducted a series of rapid interviews with approximately one hundred internal and external users (i.e., OST and BIA area and agency staff, OST Albuquerque staff, Tribes, BLM, MMS). Interview guidelines were developed for this team (See Appendix 1D) and data compiled in a database for analysis.

The second type of team consisted of 20 two-person data collection teams who conducted more thorough interviews with approximately 250 internal and external users. Interview guidelines were developed for this team (See Appendix 1E) and data was again compiled in a database for future analysis.

Due to the sensitive nature of this project and to protect the opinions expressed by interviewees throughout the trust system, it became apparent that any release of project information must be approved and channeled through the Contracting Officer. In order to insure that Macro project team members, especially data collectors, were provided with a standard response to external inquiries, "Confidential Information Agreement" forms (See Appendix IF) were signed by each project staff member. These forms directed project staff to refer external inquiries to the Contracting Officer and report such inquiries to the Project Manager.

Following the data collection activities of each team, analysis was conducted at Macro’s headquarters office in Maryland to examine the database information, to develop recommendations, and to finalize all reporting requirements.

A three-phased technical methodology was implemented to achieve project goals, namely:

I. Planning and Protocol Development

II. Data Collection

III. Analysis and Recommendations

However, with a required reduction of 30 project days and an enhanced scope of work, it became apparent that the original timetable would not meet the project’s requirements. An accelerated start-up and interview schedule was developed (See Appendix 1C).

Report Organization

This report is designed to provide the reader with two major perspectives: first, a review of the key components of the current trust system; and second, a series of recommendations for making the trust system more effective and efficient. Each chapter is supported by an Appendix, where appropriate.

Part One—Current, As Is:

The description of the current, or as is, state of the trust system begins with the views of the Tribes and U.S. Government employees in the field (Chapter 2). These internal and external user viewpoints, as collected from confidential interviews, provides a unique look at the system from those who work with it every day.

In order to gain a broader understanding of trust operations, the key business events and activities at the Area, Agency and OTFM headquarters' offices are described (Chapter 3). Flow charts of these key business events are provided to illustrate their complexity, the redundancy of many of their activities, and the need to make specific improvements in their work flows.

An enhanced view of the information technology that is currently used in the trust system is presented to demonstrate the need for upgrades and the acquisition of new technology (Chapter 4). Next, the contrasting and comparison of the current trust system with a commercial trust system depicts the similarities and differences between the characteristics of the existing system with the private sector standard (Chapter 5). Since the Special Trustee's mandate is to bring the existing trust system to a commercial level, this chapter introduces the reader to the key elements of each system.

The final chapter of Part One addresses the current state of training throughout the trust system. It describes the current training needs of specific user groups, based on their responses during the interviews (Chapter 6). This chapter also reviews existing training courses and resources utilized for functional, ongoing skills upgrades.

Part Two—Recommendations:

Recommendations for making the trust system more effective and efficient begins with a description of the features of a new trust system including a Land Title and Records Management System and a Trust Asset and Accounting Managment System (Chapter 7).

A number of supporting elements are recommended for the new system including a Technology Service Center, a National Indian Fiduciary Records Center, a communications network, and a Risk Management and Control System (Chapter 8). Also recommended is enhanced support in document imaging and the acquisition of additional end user workstations.

Recommendations are also provided for increasing the effectiveness and efficiencies of staff through training in the short-term and during the transition to the new trust system (Chapter 9). The case for enhanced employee training to improve current as well as future skills is made and a training plan is provided.

Next, the adequacy of existing Government services to meet the requirements of this new trust system,

is addressed (Chapter 10) and includes views on such organizations as the Office of Hearings and Appeals (OHA), the Minerals Management Service (MMS), and the National Archives and Records Administration (NARA).

The final recommendations (Chapter 11) call for the addition of a systems integration team to assist OST officials in planning and implementing the organization's transition to a new trust system. It also calls for a major emphasis in staff training during Fiscal Years 1998-2000 in order to coordinate the implementation of the new system with the ability of internal and external users to effectively use the system. The case is also made that a reduction or delay in this training will result in additional organizational costs due to rework and cost escalations.

Finally, it is recommended that current roles, processes and procedures between OST and BIA field staff become clarified to reduce the strained organizational climate that now exists.

User Needs Baseline

"We will never let our hold to this land go,
For it would be like throwing away...
(our)... mother... That gave us birth

Aitooweyah

2.0 Introduction

The Indian loves the land and this love was reflected in all the interviews that were conducted to determine user needs. Comments, though sometimes critical were never angry, they only reflected the Indian desire to protect the land which is so loved. This chapter reflects the findings from those interviews.

2.1 Purpose

This chapter explores the findings from the 350 interviews that were conducted at the OST staff in Albuquerque, Area, Agency, and Tribe level as illustrated in Chapter 1 figure 1. The interviews were aimed at discovering the needs of those who are performing the trust asset and accounting management responsibilities at their respective locations. Each individual finding is not presented, rather a series of conclusions are reached in section 2.5 which is intended to draw focus to the underlying needs that are represented by each of the individual findings. The focus of this chapter is the responses to the last three questions in the questionnaire which were ;

· State, from your individual perspective, the two main problems with the current trust fund management system,

· Identify what you need to do your job, and

· Identify missing features of the current trust asset and accounting management system.

Overview of User Needs

· Section 2.2 presents a quantitative summation of the findings and displays graphically the findings for each level of site visited.

· Section 2.3 identifies selected statements which are considered to be the most reflective of major findings.

· Section 2.4 provides a discussion of the major findings with an attempt to identify them to the proper context in which they were stated.

· Section 2.5 presents a summary of conclusions that can be reasonably reached as an outgrowth of the discussion in Section 2.4.

· Section 2.6 provides a general discussion on user comments and observations apart from the three questions noted earlier in Section 2.1. Although more extemporaneous in content there are some important insights in these comments.

A detailed list of edited responses are contained in Appendix A2. The list was edited to eliminate duplication and remove ambiguous responses. The responses are grouped by needed system features, skills and training, equipment, organization interface, staffing, and Tribal specific responses.

2.2 Quantitative Summation

The data gathered has been summarized as statistical findings from the field but **does not attempt to draw any firm conclusions exclusively from this summation.This data requires a further in depth understanding of the major statements made to interviewers during the field visits. This assessment is discussed in Section 2.4.**

Figure 2.2 shows responses for each participant arrayed by the organizational level visited. More than twice the number **of responses from OST people** were from the Agency level rather than the area, which is not surprising because the number of OST people located at the agencies is much higher than at the Area. The surprise is that the number of BIA Agency level people who are directly or indirectly involved in trust asset and accounting management is over three times the number of OST people at the Agency level, (note; for many of the BIA people trust asset and accounting management is a part time job where for others , as in leasing, it is most of their job). Of the 110 BIA people who were interviewed at the Agency level slightly over half, 56, were involved in either realty or asset management.

Participant Role/Job	HQ	AR	AG				
OST Trust Accounting	11	15	32				58
Area Directiors				2			2
Agency Superintendents					21		21
Administrative Ofcrs.				1	9		10
Realty (incl. Leasing)				7	41		48
LTRO				3			3
Resource/asset mgmt.				3	15		18
BIA Trust Accounting				1	9		10
Social Services				2	3		5
Tribal Services/Operations					8		8
Other	3			1	4		8
Tribal Officals						61	61
Total	**14**	**15**	**32**	**20**	**110**	**61**	**252**

Figure 2: Number of Responses by Participant Role and Organization (n = 252) (Note: Some interviews had multiple participants.)

	OST	OST	OST	BIA AR	BIA AG	Tribe	Total

Figure 2.3 represents the distribution of responses to the topped ranked problems as perceived at the agencies. As is shown, process oriented problems were most numerous followed by organizational interface issues with system access to data coming in third, Training and staffing were almost equal and together represented over 30% of the responses. It is surprising that at the Agency level where there have been Reductions in Force (RIFs), with more rumored, that the majority of problems were not staffing related. The significant number of organizational interface problems may well be related to the recent split of OST and BIA which occurred without a clear definition of responsibilities. Usually the cry for equipment is heard loud and clear, but equipment problems represented only 1.0% of the problems. This may be caused by the focus on process related problems.

Exhibit2.3

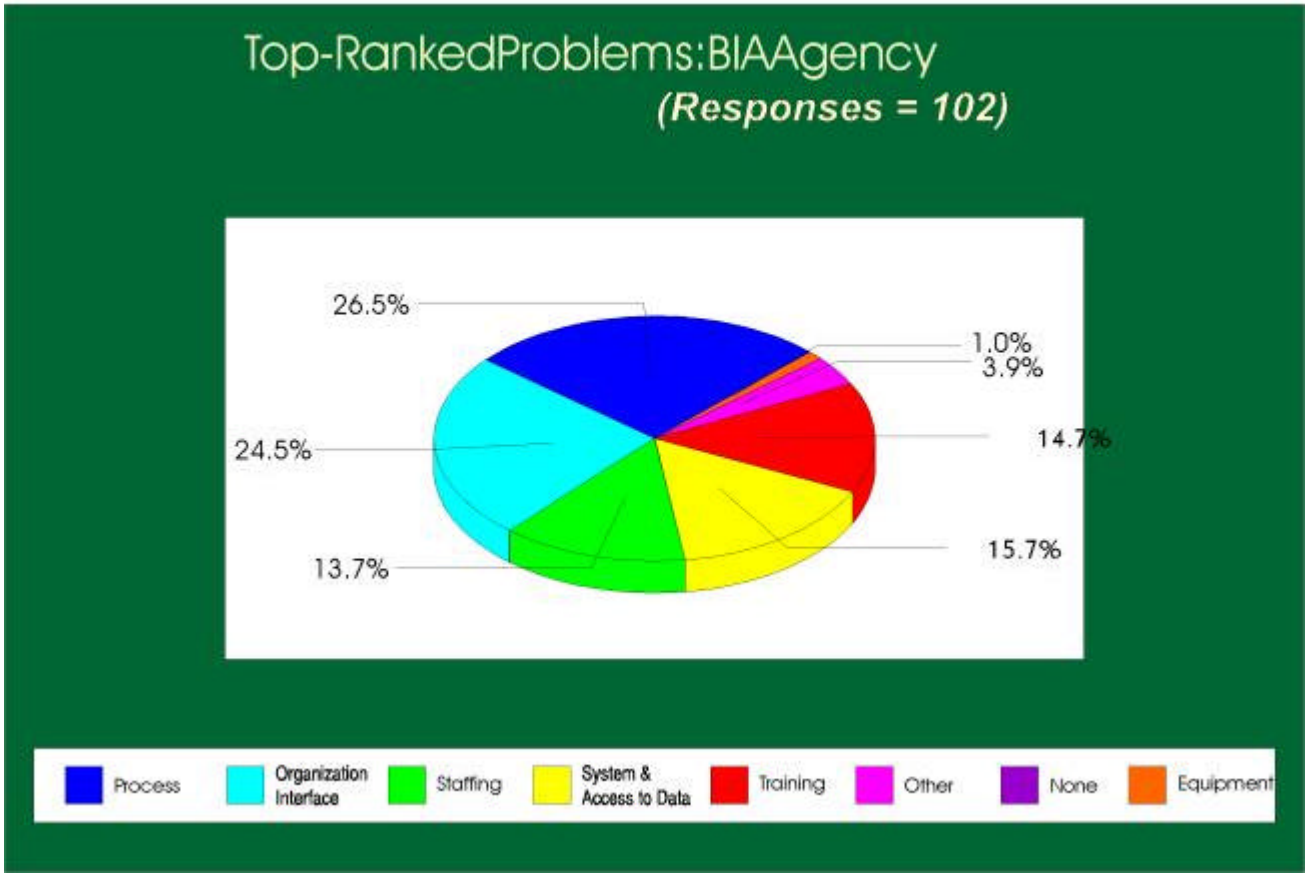


Figure 2.4 shows the distribution of the top ranked problems at the Area level. Equipment responses are five times the size they were at Agency level although many interviewers observed equipment still in boxes at the Area level. Staffing appears to be a much larger problem at the Area level as does systems and access to data. Process related problems remain high at the Area level. Organizational

interface is less than half the problem at the Area as compared to the Agency level responses.

Exhibit2.4

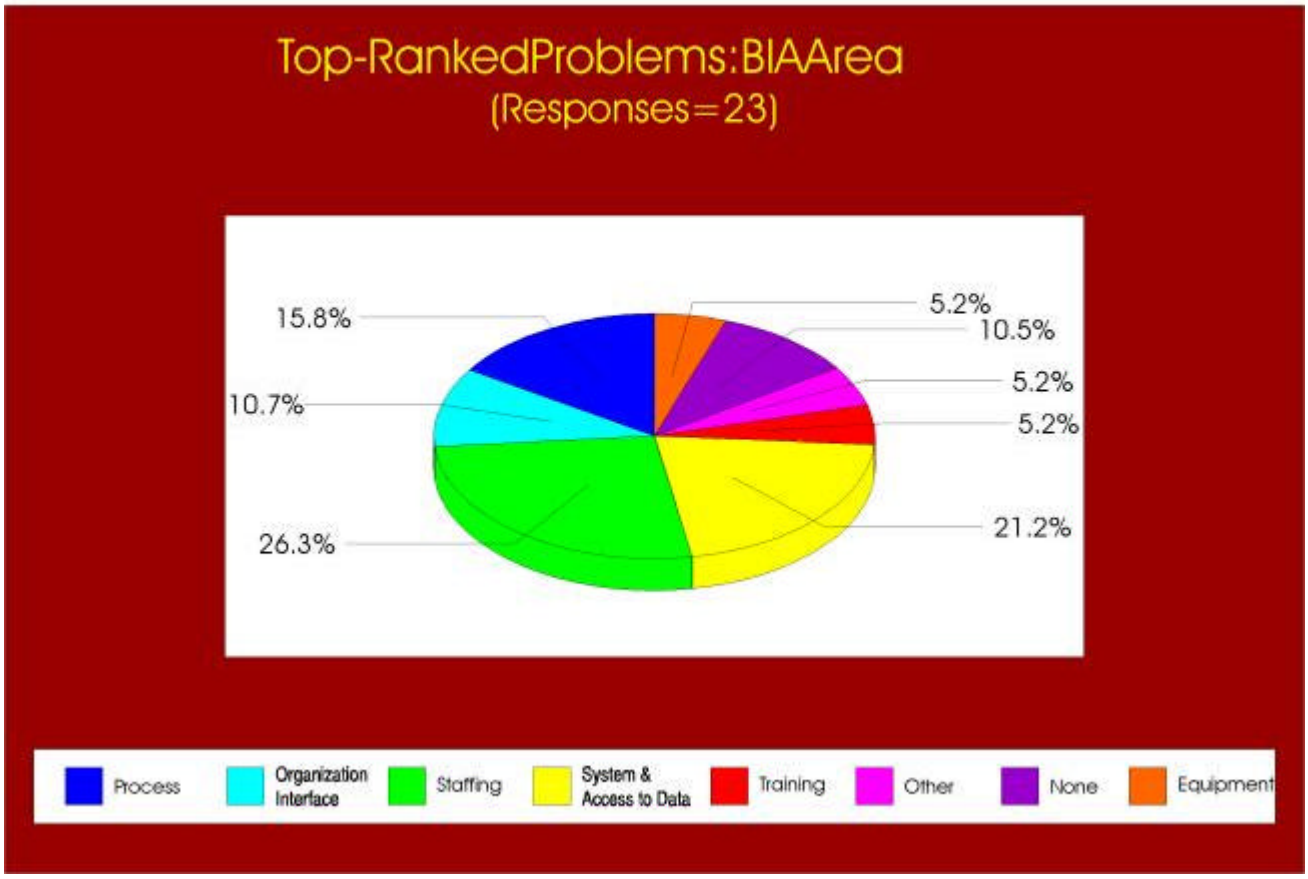
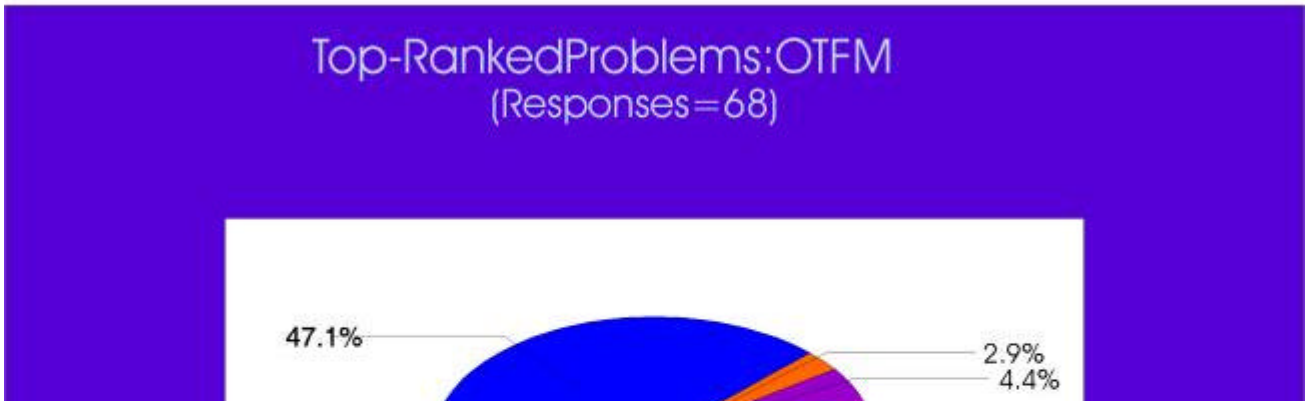
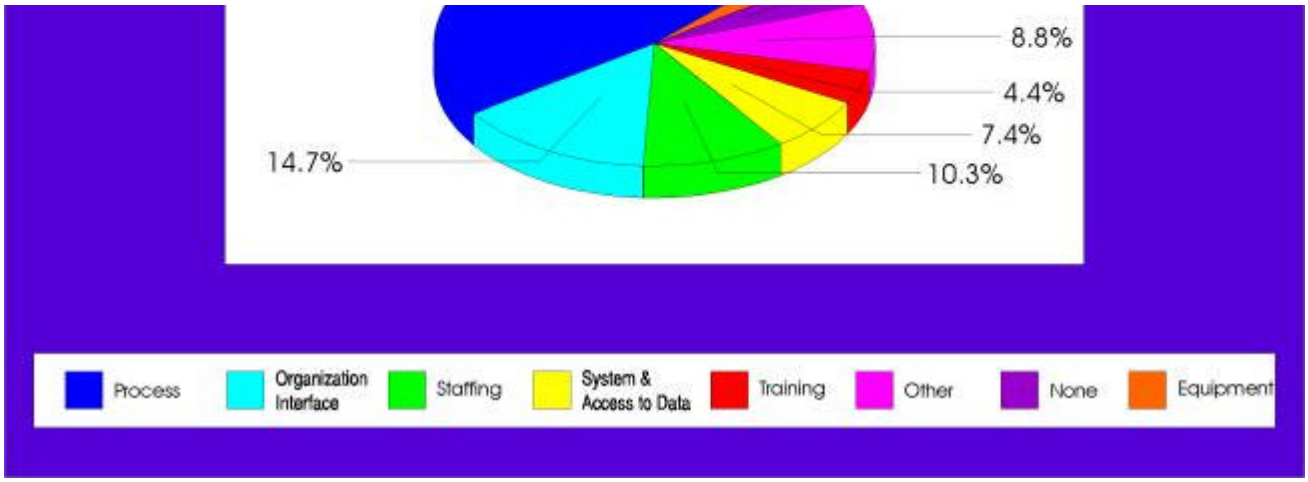


Figure 2.5 Shows the segregation of Albuquerque OST staff responses to the top ranked problems. The Albuquerque staff responses are based on a small sample with only 14 responses, but is reflective of some significant variances. At OST, where system interaction is a way of life, the process related problems are the largest of the top ranked problems, 47.1%. Organizational interface concerns, though larger than at the Area level are still significantly smaller than at the agencies, 14.7% to 24.5%. Staffing problems are the lowest at the Albuquerque office and system and access to data problems are extremely low for an organization having so many process related problems.

Exhibit2.5





2.3 Selected Findings

This section highlights some of the major findings stated to the interview teams. These selected findings are segregated similar to the major findings displayed in Section 2.2, process related, organizational interface, staffing, system and access to data, and training. These findings are not, in most cases, direct quotes but rather a restatement and summation of the problems.

2.3.1 Process Related Findings

- Lack of integration and interfacing across processes.
- Reconciliation process is too cumbersome, and is being performed at three levels.
- Lack of clear Probate policies and procedures.
- The collections, deposit, disbursement processes are slow and dependent on many manual processes.
- Interest calculations performed at multiple sites and guidance is apparently unclear.
- Information is not always readily available for account holder inquiries.
- Tribal drawdowns require too long a time to process and have too many levels of approval.
- Responsibility for approving disbursements is unclear, sometimes Superintendent approves and sometimes Area supervisor approves

2.3.2 Organizational Interface

- Lack of a clear understanding of responsibilities between OST and BIA.
- There are too many approval levels.
- Tribes have little confidence in BIA.

- Some Agency personnel bypass Area and deal direct with OST Albuquerque.

2.3.3 Staffing

- Both OST and BIA respondents complained of being under funded and understaffed.
- Both OST and BIA respondents see low grade levels as a critical staffing problem.
- There are specific positions that need to be filled.
- Tribes mentioned staffing problems far less frequently than OST or BIA personnel.
- Agency personnel are concerned about rumors of future RIFs.

2.3.4 Systems and Access to Data

- Integration/interfacing is required across systems.
- More automated features are needed.
- Systems need to remain operational/available more time each day.
- Data quality is poor.
- Improved search capability is needed.

2.4 Discussion of Major Findings

In this section, there is a discussion of major findings stated in Section 2.3 and those displayed and discussed in Section 2.2. This section follows the general outline of problems - process related, organizational interface, staffing, and system and data accessing.

2.4.1 Process Related

Although the number of process related problems is greater at OST Albuquerque and Agency level than at Area, it may well be that there are more process related actions taken at the OST Albuquerque and the impact of those actions are felt more intensely at the Agency level. In Section 2.3, there are several problems stated but they may well be associated with one of three problems which are: 1) lack of systems integration, 2) inadequate or outdated policies and procedures, or 3) too many levels of approval for actions that impact on either the Agency or the Tribes.

2.4.2 Organization Interface

Statistically, organization interface reflects a greater concern at the Agency level than that felt at either the Area or the OST Albuquerque. This is caused by the lack of a clear understanding of responsibilities and the fact that the impact on the Agency personnel is greater where the necessity of

making decisions that affect individual Indians resides. In Areas, like Tribal drawdowns which are delayed even when they are preceded by plans and budgets, a general lack of confidence in organizational effectiveness is likely to occur. This lack of confidence, coupled with a long-standing history of minimal trust between Tribes and BIA, tends to exacerbate an already tenuous situation. This condition is further supported by the findings that Tribal personnel sometimes bypass both Agency and Area levels and Agency personnel bypass Area levels to deal directly with OST Albuquerque.

2.4.3 Staffing

Based on statistics alone, it appears that Area personnel are more concerned about staffing issues: But in fact, the problem was stated quite vociferously at the Agency, as well. The numbers at the Agency level may not be as great, but the intensity of the concern is clearly at the Agency, as well as, the Area. In the era of federal cutbacks there is a prevalent feeling throughout the federal workforce of staffing problems. There are, however, some unique differences associated with these issues. Filling of critical positions is not necessarily constrained by Federal cutbacks and rumors of future RIFs can be addressed by management. Low personnel grades are often caused by a lack of requirement for certification for specific positions, when in fact, a certification requirement that included education as a qualifying factor could become the basis for justifying higher grades.

2.4.4 Systems and Access to Data

Based on quantitative analysis the problem of systems and access to data is greater at the Area and Agency levels. In part this is caused by the difference in time zones. OST Albuquerque systems are not up and running at times when Agency and Areas staffs are still working. But, in fact, the problem seems to be more basic. The systems in use are in need of modernization to support the requirements stated in the findings more automated features, better search capability, improved data quality, and across the board integration.

2.5 Conclusions

This section concludes the definition of needs based on statistical data, findings, and a discussion of the findings. It is also organized by process related, organization interface, staffing, and systems and access to data problems.

2.5.1 Process Related

Based on earlier discussions, it is safe to conclude that the primary sources of process related problems are lack of adequate, current procedures; lack of sufficient modern automated processes; and poorly designed manual processes.

2.5.2 Organizational Interface

The statistical evidence in Figure 2.1 leads to the conclusion that there are still too many functions which directly impact on trust asset and accounting management remaining in BIA. A clear definition of roles between OST and BIA is sorely needed. There are too many approval levels between the Indian seeking solution and the ultimate approving authority. There is a need to establish a dedicated staff to deal directly with Indian issues with sufficient authority to provide resolution to problems and

build the confidence at the Tribal level. Only time and supportive performance will change attitudes that have taken decades to develop.

2.5.3 Staffing

There is a clear need to establish a critical position hiring policy. There are indicators that a discussion needs to occur with OPM to determine ways in which higher personnel grades might be legitimately supported. There is conclusive evidence that an announcement denying the likelihood of another near term RIF would be welcome by all.

2.5.4 Systems and Access to Data

Modern automated systems are needed. Data cleanup is a high priority, as are relational data bases which will maintain data compatibility and synchronization. Across the board integration of or interfacing with both commercially acquired and internally developed systems is essential.

2.6 General Observations

During field visits there were comments made which did not directly relate to the questionnaire being used but were nonetheless a part of the collected data and were significant enough to warrant comment. There were also observations made by the project teams that are worthy of discussion. This section is a discussion of those unsolicited comments and field observations.

· Most observers saw hard working dedicated people at all levels.

· Fiduciary responsibilities are not being met due to the lack of complete, auditable and audited accounting systems.

· Two year backlogs in probate processing were observed.

· Real assets are not properly accounted for, nor are the records reflecting ownership and value complete and accurate.

· One interviewer observed that the RIF and ensuing shuffling of tasks amongst the remaining personnel resources has created three categories of deficiencies: 1) work overload, 2) a mismatch of skills and tasks, and 3) a major training requirement which is not being addressed but rather left to OJT/osmosis (regretfully few and in some cases no resident experts are available as mentors).

· The net effect is a field staff who, for the most part, would prefer to do a good job, but who seemingly accept and recognize that some work will and some will not get done.

· Jobs left undone, due dates missed, poor quality performance, results in an either "who cares" attitude or a hyper stressed worker.

· Boxed computers and related equipment were observed at several installations. When asked, OST employees stated that there were not technicians available to help in the setup, installation, and training for effective use of the equipment .

· Hard copy documents are not properly stored, nor is there a recording or tracking method which will account for all the documents.

· Some Tribes are not waiting for systems solutions to come forth from OST but are finding and funding solutions using Tribal funds. These Tribal funded solutions manifest themselves in various forms from computer backups and offsite storage to automation of data needed in local processing.

· Some Agency, Area, and OST Albuquerque personnel expressed a desire to have all files, policies, procedures, laws, etc. they use online and available at all times.

· Several Tribes requested availability of trust fund data on a more frequent basis, (no less frequently than weekly) for the use of their financial people, treasurers, comptrollers, etc. so they could monitor availability of funds for Tribal projects and for preparing reports on status of investments to Tribal councils. They also felt they needed the data for the possible management of their own funds.

· Most Tribes would prefer to have the U.S. Government manage their funds, as long as they enjoy the same freedom of investment choices available to any US citizen. The advantages are twofold, the U.S. Government pays for the fund administration and there is a significant tax break for the Indian.

· It was observed that most Tribes will require a training program to fully understand the new and emerging OST thrusts and how they will benefit from these thrusts.

Business Events Process Models

3.0 Introduction

This chapter addresses the business events used in the day-to-day trust business and describes the relationship among such events. Daily trust business includes trust financial assets management, trust real property management, and land records and ownership management. Specifically, this chapter and its associated appendix are designed to:

- Identify the users of processes and information systems so that their needs may be included in overall requirements and in subsequent detailed design specification efforts
- Show the complexity and relationships among processes, performers, and automated information systems
- Develop a baseline of current processes or business events performed, using process models in order to plan the migration path from the current business procedures for the individual events to a new, commercially acceptable procedure for conducting business. This baseline (or "inventory" of current processes) identifies those processes that must be performed in the new information infrastructure. The OST Albuquerque office process map had insufficient detail to identify every business event performed at this office.
- Illustrate the Business Events Process Maps for:
    - HQ-OTFM, Appendix 3A
    - Area Offices, Appendix 3B
    - Agency Office, Appendix 3C

3.1 How To Read the Process Models

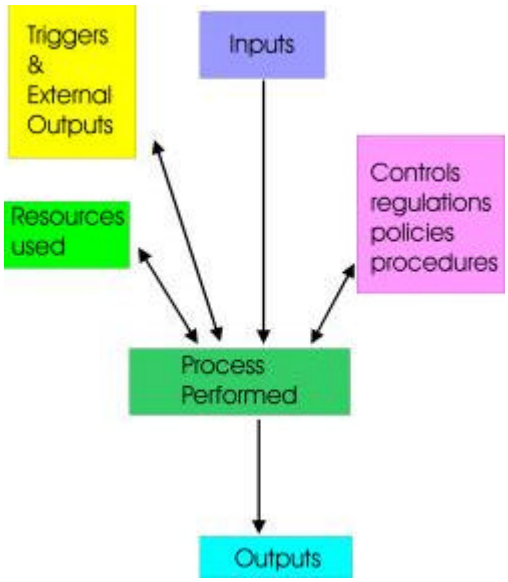
Process models comprised a process composition document and a process map. These components must be viewed in concert. Individually they represent unique views of the process; in combination they represent the process as it is currently performed. Process composition documents are complementary to the process maps.

Process Composition

The process composition is a definition and description of the work performed in the "as-is" trust financial assets management process in use. The composition provides an outline of each process, including the process name, definition, objective, performer(s), primary input(s) or "triggers," output (s), and the steps performed to complete the process. In addition, the composition lists the controls, e.g., policy, local practice, or regulations, that govern how the process is performed and the resources used, e.g., automated systems to perform the process. The composition also captures the differences noted between sites visited in performing the individual processes.

Process Map

The process map graphically depicts the flow and interdependencies of the trust financial assets management processes defined in the composition document. Processes are represented with boxes and include the process identification number, process name, and automated system used. Area and Agency numbers are constructed using the middle number to identify a functional/business area e.g., leasing is 5. The numbers *do not* imply sequence; rather, they are provided as a crosswalk between the map and the composition document, which provides detail about each of process on the map. Decision points in the process flow are stated within diamonds and include questions, decisions, conditions, or "if" statements. Inputs and outputs are shown on lines and are differentiated by arrows pointing either into or out of a box or a diamond.



Processes that are deemed "out of scope," yet play an integral role in the process, have been included to provide a more complete flow of all aspects of the trust asset and accounting management process. These processes are represented by dotted line boxes and only limited detail is provided in the composition of the document. For example, leaseholders play a key role in realty-related processes and are represented on the map for definition of flow or clarity, but the detail of surrounding leaseholder operations is not provided.

3.2 Approach

Two rules were developed to structure the development of the as-is process models:

Rule 1 - Process maps would reflect only that information that was collected in the field, without evaluation or validation.

Rule 2 - The process, as mapped, would represent what the majority of the respondents said.

Site-specific differences. Are captured in the composition document for the map in question.

Benefits of Process Modeled Analysis

The greatest value of process model analysis is the information provided by the people interviewed in the field. This data clearly states how they perceive the process is to be performed. From the input, which starts (triggers) a process, to the output(s) produced by the process and what the controls are used in the process. This process will allow management to review the procedures being followed and evaluate whether or not they are being followed properly, the right rules and regulations are referenced, the controls are working as planned.

Other Benefits Are the Ability To See Where

- Systems or procedural adjustments or reengineering are required
- Staff-to-function evaluations can be made to correct manning levels
- Verification that all necessary steps are performed and data, reports and documentation, are reaching the required destinations
- Site-specific differences can be identified and evaluated.

Disadvantages of Process-Modeled Analysis

The generic process maps do not graphically illustrate every variance identified during data collection. Since each individual Tribe, Agency and area site was not visited, every possible variation will not be represented. This incomplete representation leaves the possibility that personnel not visited will read a map and say, "That is not the way we do this task."

A second limitation is the simple fact that process mapping for analysis identifies and highlights problems and bottlenecks. It does not reflect solutions or alternatives.

Sources of Data

The breakout of interview information collected at the Tribal, OST Albuquerque, BIA Area, and Agency levels is as follows:

- Tribal Interviews -- 50 of the more than 300 tribes
- Agency Interviews -- 35 of the more than 80 offices
- Area Interviews -- 8 of the 12 offices.

The result was approximately 350 confidential interviews conducted, but since some of these were recorded as "joint interviews" (two or more people participating in a single interview on a specific subject or function), only 330 official responses were recorded. These responses were entered into a database and compiled into analysis segments with all personal or location identification removed.

3.3 Assumptions

Planning assumptions were made with which the as-is trust asset and accounting management process models were created. The assumptions developed for process model creation are

- The scope of the as-is process models is limited to trust financial assets management, real property management, and land title and record management. General administrative and personnel support activities, e.g., personnel transfers and supplies, are not represented in these models. This category includes the income from Irrigation Projects which does not affect trust accounts.
- The finished process models have not been validated by Field or Regional personnel.
- Process performers, e.g., Realty Office/Forestry Specialist, do not distinguish between BIA and Tribal employees (in the case of contracted activities).
- All identified processes 1) do not necessarily translate into processes that must be performed in the future, 2) should be considered for determination of value, and 3) should be reviewed to determine future process requirements.
- The process models represent generic processes, because of the lack of commonality found in the method of performance.
- Process model development is based upon data collected during the interview phase of the project. No attempt has been made to verify or validate that the processes have been defined in accordance with regulatory requirements.
- Distribution of income associated with Oil and Gas sales is represented in the Agency and Area-level process models.
- Not represented in the process models are the management functions performed by Bureau of Land Management (production tracking at the well head), Minerals Management Services (valuation and collection services), and in some instances, Tribal personnel, which are related to Oil and Gas resources. The interview process also did not yield any information on mineral mining activities.
- Tribal processes are represented on the Agency-level process map.

3.4 Process Flow Review

The business event process flow charts for Agency and Area illustrate some apparent inefficiencies. Inefficiencies in length or duplication of processes or missing processes were identified. The following are a representative sampling of the process inefficiencies.

- Excessively long process strings
- Multiple approvals in a process string

- Centralized Approval Authority
- Missing Processes
- Duplication of effort
- lack of Automated Processes

Excessively long process strings. To process a lease payment from the point of receipt at the Agency to the point of payment to the land owner requires nine processes, as follows:

Receive payment (agency action)

Prepare schedule of collections (agency action)

Create journal voucher (agency action)

Audit agency collections (area action)

Perform deposit activities (area action)

Post to IIM account (agency action)

Reconcile posted income (agency action)

Print check (area action)

Mail check (area action)

Multiple approvals in a process string A Tribal drawdown request is prepared by the Tribe and is forwarded to the Agency for approval; it is then reviewed by, the IIM technician and forwarded to the superintendent for approval. Upon approval, is forwarded to the Area for approval and finally forwarded to OTFM-HQ for approval.

Centralized approval authority. The following are approved by the Agency Superintendent:

Land use forestry plans

Tribe resolution/budget

Tribe approved, available land list

Tribe approved, lease

Tribe approved, land exchange

Tribe drawdown request

Leases

Requests for account hold

Since most of these requests for approval are reviewed elsewhere before presentation to the Superintendent, and some of them are reviewed and approved at higher levels, there may be a case for delegation of some of the Superintendent's authority.

Missing Processes. There were no processes mapped at the Agency or Area that showed either a manual or automated transaction logging step at the beginning of an action and at each step along the way. This step is essential for developing statistics that would be useful in trend analysis, e.g., time from account holder query to resolution, time from receipt of payment to deposit.

Duplication of effort. There are six processes at the Areas that are called reconcile, certify, approve, or audit. This indicates that to some degree area offices are in an action-monitoring role rather than in an action-taking role.

Lack of Automated Processes. It was clear during the development of the maps that there was a lack of automated processes at the Agencies and Areas. Most if not all of the business events mapped are manually performed. Staff may use an automated system to access or post data, but the processes themselves are manual.

Information Technologies

4.0 Introduction

This section addresses information technologies as they presently apply to trust management, i.e., the "as-is" situation. The "to-be" situation is covered in Chapter 8 and its appendices. The key technologies discussed herein are as follows:

- Communications system
- Archiving (or records) center
- Document imaging operations
- Inventory of hardware and software.

4.1 Communications

The Office of Special Trustee (OST) presently has no formal nor complete network or communications system of its own. Current network functions are performed on segments of existing BIANET and DOINET networks that have circuits to some locations having dumb terminals, and other circuits having direct connectivity to PC workstations. Some Tribal sites currently have no communications facilities at all. The use of dumb terminals, netted to the BIA Operations Services Center (OSC) in Albuquerque, causes problems that are counterproductive. For example, shutting down the dumb terminal network during the peak work hours of the day, sometimes without notice, causes the loss of all data entered from a terminal if the operator has not finalized and closed the data entry.

4.2 Archiving

Several of the key findings from interviews conducted in the field concerned problems relating to archiving. When asked about storing and retrieving documents and computer files, individuals in the field were quick to state their needs and desires:

- To store hard copy documents in a safe place (and to be able to retrieve those documents when required)
- To back up key computer files used in daily routines
- To access information they need to perform their functions through their individual PC workstations.

With few exceptions, when hard copy documents are being stored in the field, they are done so in

places that are not entirely safe: in the offices of the people who create or use the documents, in other rooms or sheds on the premises, or in rented mini warehouse units. Many of these storage sites are unprotected from temperature extremes, moisture, insects, and rodents. One of the extreme examples are boxes of records stored at one particular remote site. These boxes cannot be accessed because of the likelihood that the Hanta virus is present.

In the few cases when individuals in the field stated they were presently backing up their personal computer files, the method they indicated they are using is to store floppy disks or tapes in a rented bank vault. However, due to budget constraints, this is not being done as frequently or as widely as it should be. In the absence of being offered better methods, the initiative shown by these individuals is to be admired. They are doing the best they can with what they have in the way of resources and policy. A preferred method would be to back up files daily via an electronic archive accessed through the proposed network discussed earlier and to have this backup occur automatically, that is, without the user having to be involved.

Nearly all interviewees acknowledged that they would like to be able to store their hard copy material in a safe and secure location off their premises and would like to be able to routinely back up their computer files. When asked if they would be able to do their jobs more efficiently if all of the documents they use were on their workstations, the responses were all affirmative.

In summary, although there are presently no formal archiving policies, procedures, or facilities to properly accomplish archiving, it is universally acknowledged that there is a need to do so. This includes archiving of both hard copy and electronic documents, with the latter used for two purposes: to perform day-to-day operations more efficiently, and to routinely back up key computer files.

4.3 Document Imaging

This section addresses labor and services required to image trust-related hard copy documents at headquarters and field offices (but not at the Tribes): both backlog and steady-state operations.

Discussion

Definitions

- **Imaging** is defined as the process of scanning hard copy documents to convert them to electronic documents, or files.

- **Imaging backlog** is defined as an accumulation of hard copy documents that need to be imaged. With regard to trust documents, there are two types of backlog:
    - **Active** files are those backlog hard copy documents that are needed to conduct daily activities.
    - **Inactive** files are those backlog hard copy documents that are no longer required on a daily basis, although they need to be retained for contingencies—for example, litigations.

- **Steady-state imaging** is defined as the imaging of hard copy documents on an on-going basis, starting now and continuing into the future.

Scope

Magnitude. OST has provided the following estimates of the volume of hard copy documents to be imaged:

- Active Backlog: *6 million pages*, consisting of
  - Leases: 2.5 million pages
  - Appraisals: 2.3 million pages
  - Office of Trust Fund Management and Other: 1.2 million pages

- Inactive Backlog: *500 million pages;* the number of pages of inactive records to be imaged each year is 1 million pages. (Note: This estimate is based on 250,000 boxes of hard copy pages, with 2,000 pages to a box, of trust records government-wide that will come under OST management.) As boxes of these inactive records are shipped to the National Indian Fiduciary Records Center (NIFRC), staff members will assess the records to determine which are to be imaged on a priority or on an as-needed basis. During the assessment of a given document, a determination will be made regarding the physical condition of the document. If it is found that special handling is required, the time required to prepare and image the document may be considerably longer than for the normal document.

- Steady-State (Ongoing): *2 million pages*, consisting of the following
  - New leases (20,000 per year at 25 pages per lease): 500,000 pages
  - LTRO: 400,000 pages
  - Appraisals: 600,000 pages
  - OST: 400,000 pages
  - Other: 100,000 pages

The sites where imaging will be required were identified by OST. These are as follows:

- Sites (117)
  - Forestry offices (in 20 agencies)
  - Oil and gas offices (in 5 agencies)
  - Land Title Records Offices (in 6 agencies)
  - Other (in 86 agencies)
    - Area offices (12 sites)
    - OST (6 sites)

Thus, the total number of sites is 135.

4.4 Inventory of Hardware and Software

Interviews conducted with OST field staff and Bureau of Indian Affairs personnel involved in trust management unfortunately did not provide a clear picture of their computer-related equipment inventory; the reasons are:

- Except for a few field offices interviewed, there was no one person in charge of all equipment, and the inventory estimates provided by different staff members at the same location varied considerably.

- There was much confusion in the field about whether OST or BIA owned the equipment being used.

- Many of the offices visited had unopened boxes of computers, and staff members at the site had no idea who owned the computers nor how they were going to be distributed among the BIA and OST personnel.

Although the interviews did not provide a clear accounting of how many workstations were currently available, it was significant that in those offices where a reasonably accurate inventory was available, the majority of the workstations were 486s or Pentiums; there were few computers that should be replaced or could not be reasonably upgraded.

Interviews and discussions with OST personnel provided the best estimates of the equipment currently being used for trust management, as well as estimates of new requirements. Table 4-1 summarizes the information.

Table 4-1

Workstation User Information

Current Users	1,425
New OST Users Expected	160
Increased Tribal Users	200
Expected Other New Users	200
Total	1,985

- Based on this information, it was estimated that a total of 360 new user workstations were required near-term, distributed as follows: 200 for Tribal users and 160 for governmental users. Note that these workstations are for standard (day-to-day) operations. They do not include any workstations required for the imaging of backlogged documents. These additional requirements are discussed in Chapter 8.

- Information on existing printers was also lacking. Therefore, some assumptions, based in part by observations made during the interviews, were made:
    1. Government Users: Since workstations are to be networked, it is assumed that one laser printer will be required for every eight workstations. Thus, 20 new laser printers are required for the proposed 160 new workstations. Also, upgrades are required for existing laser printers.

    2. Tribal Users: It is estimated that 50 new laser printers will be required for Tribes that presently do not have laser printers, and that upgrades will be required for an estimated 300 existing laser printers.

Compare and Contrast

5.0 Introduction

This needs analysis review is designed to provide a road map and an elaboration of the elements that are needed to establish an Indian Trust Asset and Accounting Management operation equal in quality and performance to that found in commercial trust organizations, i.e., one that adheres to the same standards of operations considered the norm in the commercial banking world.

To develop that road map, it is first necessary to compare the two environments for similarities and differences and to understand those differences which are considered to be the significant gaps or constraints in preventing the Indian Trust operation from achieving the desired level of performance. Such a gap analysis requires: 1) an assessment of each of the components involved either directly or indirectly with the Indian Trust, 2) an analysis of those commercially accepted norms deemed appropriate for the Indian Trust, and 3) a determination of those areas of the Indian Trust (the gaps) needing improvement to achieve the stated objective of meeting the general regulatory standards and best practices of a commercial trust department.

It is recognized that the plan proposed by the Special Trustee has a scope extending beyond the typical commercial trust operation since it also encompasses the land title plant — a function not performed by a commercial trust department but by other independent agents including the county courthouse. To that end, title plant activities were reviewed to determine what opportunities might be possible, given the fact that both functions (the trust asset management and accounting and the land title plant) reside within the same jurisdictional boundary, namely, the Department of the Interior. This jurisdiction is of special interest when considering the requisite data exchange between the two activities and the benefits of timeliness, accuracy, and completeness that can be achieved through a managed electronic medium that facilitates communications or inquiry between the two systems.

Components identified for this comparative assessment include

- Trust Financial Assets Accounting
- Real Property Management
- Land Records
- Title Opinion
- Deed Abstract Preparation
- Real Property Tax Records

5.1 Trust Components and Description

5.1.1 American Indian Trust

Treaties and government statutes have set aside certain tracts of land and specific monetary settlements to be held in trust by the U.S. government for recognized American Indian tribes and specific Tribal member allottees. The designated trustee assigned the fiduciary responsibility for these assets and the settlement funds is the Secretary of the Interior or head of the Department of Interior

(DOI). Until recently, the branch of DOI charged with the responsibility for management and control of that Trust has been the Bureau of Indian Affairs (BIA). Currently, that responsibility is split with the financial asset management and control now assigned to the Office of Special Trustee (OST) and its day-to-day management organization in Albuquerque. Management of the Indian lands remains with the BIA (see Figure 5.1). A second responsibility of the BIA with regard to the Indian lands is that of maintaining the official record of title and chain of history, i.e., Title Plant for the American Indian Trust Lands. As keeper of this title plant, the DOI as trustee has within its jurisdiction both the task of trusteeship and land recordation.

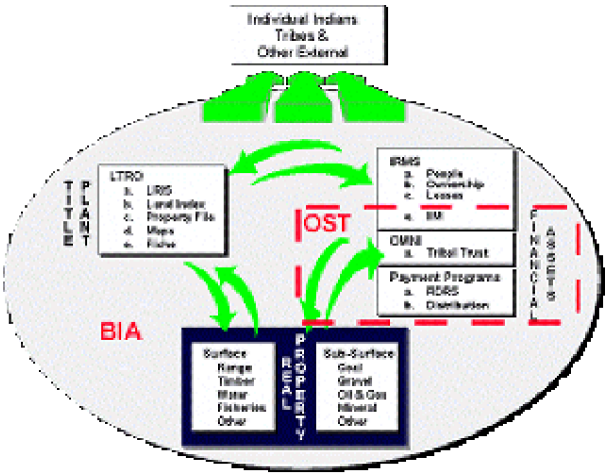


Figure 5.1 "As-Is" Trust Management

5.1.1.1 Trust Asset and Accounting Management

Trust Asset and Accounting Management for the Indian Trust utilizes two categories of systems that are not fully integrated --- the Financial Asset Management and Real Property Management shown in Figure 5.1.

Financial Asset Management

The first element of the Trust Asset and Accounting Management System encompasses the financial assets. There are two core systems within Financial Asset Management — Integrated Resource Management System (IRMS) and OMNI-TRUST. There are also two supporting payment programs — Royalty Distribution and Reporting System and Distribution.

Integrated Resource Management System (IRMS)

IRMS provides the information by which the individual Indian Trust Fund monies can be managed. This system has four modules (see below). The first three modules are managed by BIA. The Individual Indian Monies module is managed by OST.

- People --- a module designed to retain the names, identification numbers, addresses and other related data of all Indians which are recognized enrollees of a Tribe.

- Ownership --- a module that retains names and interests, including multi-decimal fractionated

interests, of each of the allotee land holdings.

- Leases --- a module designed to retain all current leases for the significant number of tracts of land relevant to the Indian Trust. Its contents include lease number, tract description, legal identification of the parcel, terms and conditions, and lessee information (including name and address, termination date, cancellation provisions, and adjustments).

- Individual Indian Monies (IIM) --- a module which identifies all individual Indian Trust account holders, including the cash balance outstanding in each of their accounts. IIM accounts are permanently reserved for minor children and *non compos mentis* adults. Distributions from these accounts can be made when a child reaches 18 years of age or when a third party payment is requested by guardians of IIM account holders.

Also included in the IIM accounts are adults with income-producing trust lands. In these instances, the income is allowed to accumulate up to a maximum of $15 ($5 for oil and gas) at which time a check is written and distributed to the respective owners.

Exceptions are made for voluntary accounts. Another exception is identified as Special Deposit Accounts for Tribes that are permitted as a temporary holding account.

Originally intended as a national system, actual use of the IRMS varies by area. Only the IIM module is consistently used in every area. Use of the remaining modules range from none to "when time permits" (which, for all intents and purposes is "no use" since the data in their current state are of minimal value). IIM has wide acceptance due to the fact that it accounts for the funds of all (approx. 300,000) of the individual Indian Trust account holders.

OMNI-TRUST

Trust financial asset accounting is performed using the OMNI-TRUST system. OMNI-TRUST is an accounting application that accounts for the cash and the financial investments made with that cash. OMNI-TRUST tracks the cash and cash equivalent assets and the various financial investments; specifically, CDs, U.S. government and agency bonds and notes that are held in separate trust accounts for the Tribes and the single IIM master account. Currently the Trust is restricted by Federal statute (25 U.S.C. 161a and 162c) to invest only in U.S. Treasury securities, selected Federal agency securities and CDs. Transactions are processed on the OMNI-TRUST system via nightly batches. Investment managers in Albuquerque are responsible for managing the investment portfolios within the overall Indian Trust fund. Each tribal or special-purpose account will be managed to provide income cash flow and investment maturities to meet the specific objectives of the respective accounts.

Assets in the OMNI-TRUST accounting system exclude land held in trust for individual Indians and Tribes and, hence, the system and its reports are significantly incomplete, since most of the Indian Trust assets are in the land. Statements currently available to the account holders from the OMNI-TRUST system are thus limited to non-land assets. These incomplete asset statements are viewed as major deficiencies in Tribal and individual Indian account holder reporting. For individual Indians, transaction statements are prepared from the IIM module. For Tribal account holders, the statements of assets and transactions come from OMNI-TRUST.

Income beneficiaries are the individual Indians, Tribes, and recipients of funds from Tribal special accounts, a category of Trust monies designated by the Tribes as funds to aid their Tribal members,

such as land requests, burial funds and education. Sources of funds in OMNI-TRUST come from rents, leases, interest from investments, sale of securities, monies appropriated by Congress as compensations for land taking, judgments (court settlements arising from survey errors, disputes on water rights or land infringements), funds arising from a treaty between an Indian Tribe and the Federal Government.

OMNI-TRUST access is made available to the Tribes for their accounts but Tribal site visits indicate a minimal or no use of the OMNI-TRUST system by the Tribes.

Individual Indians inquiring about their accounts are required to submit a request to their home agency representative. Tribes withdraw funds from the OMNI-TRUST for:

1. Per capita distributions. Per capita distributions result from lease monies, from public law or for court settlements. Distributions are based on data on the individual Indians within a specific tribe.

2. Tribal office operations. A direct distribution based on Tribal resolutions.

3. Drawdowns. Drawdown withdrawls are from special purpose accounts based on the rationale of the account when it was initially funded or set up.

Trust account investment of financial assets are centralized at the OST Albuquerque office. OMNI-TRUST is contracted with SunGard, a service bureau, who owns the program.

Payment Programs

The third category of applications under the financial assets section of Figure 5.1 is payment programs. Payments made to individual Indians are accomplished through two separate standalone applications — Royalty Distribution and Reporting System (RDRS) for cash received from oil and gas payments and a payment distribution program for all other cash payments to individuals.

Real Property Management

The second element of the Trust Asset and Accounting Management System is real property. Real property management consists of a series of land management procedures, some based on specific computer applications and others completely manual; some with locally developed software and, for oil and gas leases, the Oil & Gas lease system, which is owned and managed by Minerals Management Services, a separate DOI organization that collects revenues for oil and gas Indian leases.

The purpose of real property management is to develop and manage revenue producing activities for trust lands and minerals. Management of the Indian Trust lands is done at the Area and Agency levels by DOI personnel having experience in specific activities such as timber, oil and gas, etc. Responsibility for management and revenue production includes prudent use and conservation of the property.

Real property revenue producing activities are divided into surface and subsurface as described below.

SURFACE. Types of surface revenue producing activities include range grazing, timber, water, fisheries, developed real property (e.g., condominiums, single-family homes, golf courses, office

buildings, rights of way, and shopping centers).

SUBSURFACE. Types of subsurface revenue activities include - oil and gas, sand and gravel, coal, copper, other minerals. Minerals Management Service (MMS) provides services for oil and gas including the tasks collecting, billing for late payments, distributing, and reporting. MMS receives, accounts for, and disburses Indian oil and gas revenues for Indian leases. Revenues due for disbursement are paid through the Royalty Distribution and Reporting System (RDRS) to the individual owner accounts. RDRS is an application program running at the Albuquerque BIA data center.

Other leases (non-oil-&-gas) are developed, implemented and managed (including billing and collection) by agency realty offices unless the Tribe is a recognized self-governing tribe (Compact Tribe). In those instances, the Compact Tribe establishes and manages the lease subject to signature by both the Area Director and Agency Superintendent. In practice, all leases require both Superintendent and Area Director approval. Agency Realty bills and collects lease monies and designates distribution to accounts based on the ownership distribution designation detailed in the lease.

More detail information about the lease management process can be found in Chapter 3 of this report.

Real property activity interfaces include:

- BLM --- Well head production monitor and cadastral surveys (shows property boundaries, subdivision lines, buildings and other details)

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- ALMRS (Automated Land Management and Recording System) --- a project designed to develop a national system for all federal lands - repository for Global Positioning System (GPS) surveys and cadastral surveys. When completed, it will serve as a repository for all Indian land descriptions. The ALMRS project group has been attempting to sell the product to BIA to provide the leasing services of land. ALMRS may not be able to meet the totality of the BIA requirement; however, as a minimum, it should be able to provide accurate land descriptions.

- Office of Hearing and Appeals (OHA) --- In the event disputes arise from errors in surveys, inaccurate land records, or recordation of ownership, OHA is requested to be arbitrator and to effect a just and equitable resolution to the dispute.

- OHA (probate) --- On receipt of a notification of death of a Tribal member, the agency sends a request to the IIM Account Technician and to Land Title Records Office (LTRO) to flag the records of the deceased. Also, the Agency requests the LTRO to provide an "Inventory of Decedent Report", a listing of all parcels and fractions of land owned by the decedent. LTRO sends ownership data to Agency where the Realty Branch appraises property. OST Account Technician identifies the fund balance the decedent holds in IIM at date of death. Information is given to the probate clerk in the realty office at the agency who prepares the asset summary for a decedent and passes it to the administrative law judge (OHA). In due course (a process which can take some years) the probate process is completed and a probate order determining heirs is returned to the agency and to the Land Title Records Office regarding the distributions to be made in both the land title accounts and IRMS.

5.1.1.2 Title Plant Management

Title Plant Management for the American Indian Trust Lands is accomplished by the Land Title Recordation Office (LTRO) of the BIA. The LTRO acts as the national courthouse for the Indian lands. Its purpose is to maintain a current title record and the historical chain of title. It also records all encumbrances and easements on the title. Data is maintained in perpetuity. LTRO performs six basic functions: 1) record title or anything to do with title - any transaction impacting the tract/parcel of land, 2) provide title opinion - title status report, 3) provide inventory of holdings for estate settlements, 4) provide certified documentation as requested from any source authorized relative to a parcel of land or lands owned by an individual Indian or a Tribe, 5) provide on-demand research for court actions and, 6) provide on-demand maps of various plats.

- Recording. Title documents comes from agencies. Title documents may be in the form of a deed or a lease or any transaction affecting a parcel of land and must be notarized. A compliance officer checks all title documents for accuracy and compliance and, if all is in order (notarized, legal description correct, approved by supervisor), a document is time-stamped and assigned a number in the land index (a manual log of all transactions affecting the land). It is then microfilmed and encoded in the Land Recordation Information System (LRIS). Microfilm is sent to a development service where a microfiche is made of it. One microfiche is retained by the third-party office in a fire proof vault for off-site security; the second copy is returned to LTRO. LTRO makes a copy of the original title documentation and returns the original to the agency. A hard copy of the original documentation is put on file at the agency (one location prepares three original documents --- it keeps one, sends one to the LTRO office, and the other is given to the owner). Identification is by index code, land tract code, and owner identification (ID). No procedure is currently in place for the use of bar codes.
  NOTE: Updates to LRIS must await an over night run for validation to ensure that title information is correctly entered before further action is taken.

- Title Status Report. Certified title opinions are provided with the title status report. A log of all case numbers is maintained for all requests made. The examiner pulls data from LRIS in the form of an updated title status report which lists the holdings for the individual account under consideration. LRIS is updated to reflect the date title documents were reviewed. A title status report should include a chain of ownership but often does not because all the data are not in the LRIS.

- Estate Settlement. Death notices are scheduled the sixth of each month though this date is frequently not met. The log is updated and an inquiry made against the owner's account on LRIS. An individual Indian interest report is prepared for the decedent. An LTRO officer signs the report, then stamps and sends it back to the agency.

- Requests for Certified Documents. Requests for certified documents come from individual Indians' agencies, title companies, and/or to satisfy court requests. Fiche copy and hard copy are made, stamped and certified and returned to the originator of the request.

- Mapping. Maps of Indian lands are available on request for use by realty in agencies or Tribes or any other entity requesting a map (e.g., State or AAA). Maps show Indian lands for a particular area.

5.1.2 Commercial Bank Trust Department

In the commercial, private or non-government world, trusts are typically managed by a trust company or the trust department of a commercial bank. A typical commercial trust management system is depicted in Figure 5.2.

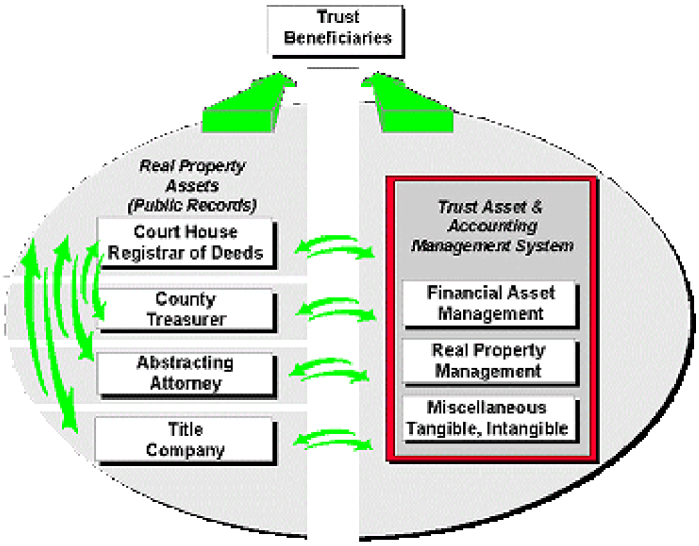


Figure 5.2 Commerical Trust Management

The trustee appointed in the commercial area is the company or bank in which the trust department resides. The company or bank and its board of directors has the ultimate fiduciary responsibility. The trust asset management and accounting responsibility is delegated to a board "trust committee" and to the head of the trust department.

The title plant or real estate records activity are not found in a commercial trust company or commercial bank trust department but rather reside at the county courthouse in the register of deeds' or clerks' office. Additionally, other commercial or county organizations are involved with real property assets. The county treasurer must confirm that all real estate taxes are paid to the date of sale and attaches applicable tax stamps to the deed of property. A title company, or attorney specializing in real estate transactions, must guarantee clear title before finalizing a deed abstract, which is needed to complete a title transfer. The third independent agency is the title insurance company which establishes and certifies chain of title and resolves areas of conflict in the historical chain or clouded title. The trust asset management and accounting functions and the title plant functions are separate and distinct entities with separate jurisdictions.

5.1.2.1 Trust Asset and Accounting Management

All assets for which a trustee is responsible must be reflected on the accounting records of the trustee, including financial assets, real property and tangible and intangible personal property. This is accomplished within a bank trust department on a trust accounting system with real property management accomplished either by the bank or by an independent property management firm.

Trust companies and bank trust departments are examined by the Federal Reserve Board (State Chartered Federal Reserve members), the Office of the Comptroller of the Currency (OCC) for national banks and the FDIC for non-Federal Reserve State Chartered banks. Therefore the trust

department's records and accounting system are, in part, set up to comply with the appropriate regulatory requirements. All banks must comply with Regulation 9 of the OCC for the operation of common trust funds regardless of which of the three regulators examine the bank.

Asset and Administrative Management

Asset administration and investment management is either accomplished within the trust department or provided by a subsidiary investment management firm. Real property management is either subcontracted to outside property management specialists or accomplished within the trust department by real property managers. In all cases, the trust department must maintain oversight and accounting responsibility for these assets and related activities. Other assets, such as personal effects or tangibles, e.g., jewelry, furniture, and paintings, are also accounted for by the trust department and are reflected in the trust accounting system.

Three broad kinds of assets are managed:

- Financial assets:
    1. Cash and cash-equivalents --- overnight investments, Treasury bills, etc.
    2. Other financial assets --- stocks, bonds, notes, certificates of deposit, mutual funds, common trust funds, etc.
- Real Property; Surface and Subsurface Assets
    1. Surface --- timber, irrigation, range, agriculture, commercial property, residential property
    2. Subsurface --- oil & gas, coal, sand, gravel, other minerals
- Miscellaneous
    1. Tangibles --- jewelry, furniture, silver, china, art.
    2. Intangibles --- insurance policies, stock options, annuities, limited partnerships, wills, powers of attorney.

The investment and management of trust assets is a continual process by account administration and investment personnel.

Investment and Management of Financial Assets

The Trustee is responsible for the investment and management of financial assets described above to accomplish account objectives such as producing a reasonable level of income or cash flow and reasonable growth over a sustained period of time. The commercial trust accounting systems have a number of features that assist in this responsibility.

- Cash and cash-equivalent management is accommodated by an automated cash management system. The system allows the account to maintain a zero uninvested cash balance by investing in an overnight fund or funds (taxable or non-taxable). Automated sales of the funds are made overnight to provide the necessary cash to make payments or distribution to beneficiaries the following day.
- The investment management of stocks and bonds is accommodated by automated security purchase and sales systems such as the automated trades or trade-entry-order features of a commercial trust system. These systems allow an account administrator or an investment officer to review an account and take action to reinvest upcoming maturity of bonds, or to sell all or part of a common stock position to maintain the proper asset allocation within the account.
- Mutual funds are a frequent investment vehicle but one that carries problems in recording

trading activities. These problems are reduced by automated trading systems within a trust accounting system that allows automated purchase or sales transactions either as cash amounts or units of a given mutual fund. The system will then compute the exact cash or mutual fund units once the sale or purchase price is determined.

- Most trust accounting systems also have an investment model with specific asset allocation guidelines for specific investment objectives. The advanced systems automatically create the necessary purchases and sales to reallocate the equity and fixed income assets for a given account based on its investment objective and the organization's current allocation standard.

Real Property or Land Assets

Real property or land includes a number of inherent revenue producing aspects. The two broad categories of revenue sources are surface rights and subsurface rights. There are systems or modules within a trust accounting system that facilitate the management of surface rights such as timber harvest, grazing, irrigation or the sale of water resources, etc. In a similar manner there are systems that facilitate the management of subsurface rights such as oil & gas , coal, etc. These asset-specific systems are either an integral part of the trust accounting system or can be contracted for through third party vendors for systems that are compatible with and will function within the basic trust accounting system.

In some situations the large commercial trust departments will have real property management specialists in specific areas such as commercial property rental, oil & gas, timber and the like. In other situations they will employ outside or independent specialists to manage the specific assets such as a property manager to provide on site management of a large commercial property or a large residential or apartment project. These independent property managers will provide detailed reports of income and expense items which are then entered into the basic trust accounting system in detail or as net revenue depending on trust management policy.

Miscellaneous Assets

This category includes both tangible and intangible assets. Tangible assets are frequently found in a commercial trust department with a significant estate administration or probate business. They include such items as jewelry, furniture, silver, china, and art. The management of these assets consists of providing safekeeping and accountability until such time as they can be distributed to the appropriate beneficiaries. Alternatively, there may be no designated beneficiary or too many beneficiaries making an in-kind distribution impractical and the assets then must be sold and the cash distributed.

Intangible assets include insurance policies, stock options, limited partnerships, etc. The management of these assets essentially requires a periodic review to see if any of the rights conferred in the documents should be exercised, modified, sold, etc. Another area of intangible assets includes providing safekeeping for wills, powers of attorney, and similar legal documents that are to be withdrawn from the vault and used as appropriate.

Trust Account Administration

In a commercial trust department, an individual account or groups of similar accounts are assigned to an account officer or trust administrator. This administrator's major responsibilities are to understand the account purpose from the underlying trust document or will, understand the beneficiary's situation and needs, and then respond to those needs within the authority granted by the trust documents. The

administrator is a focal point in the administrative management of the assets for the benefit of the beneficiary. This could entail simply distributing income for the benefit of the beneficiary, or if the person is not able or physically capable, actually paying bills and making principal distributions at appropriate times as authorized in the trust document. A final distribution will occur at some point and the trust will be terminated.

Trust Accounting

In the trust departments visited, the Trust Asset and Accounting Management System was accomplished through the use of services bureau (such as SEI and NCS - now SunGard, and additional information was obtained about the M&I data services system). The basic trust accounting system allows the trustee to record, for an account, the assets for which the trustee has responsibility (the cash, common stock, land, etc.) and to record the liabilities to the various categories of beneficiaries (e.g., estates, revocable and irrevocable trusts, guardianships, agencies and custodian accounts).

These accounting systems are highly complex and maintain asset and liability databases that link these principal responsibilities --- accounting for assets account by account, as well as, by asset and liabilities categories. This complex but necessary feature allows daily reconciliation for cash and security balances, as well as, overall reconciliation for each category of asset to be reconciled by account type to the liabilities to the beneficiaries. Both asset statements reflecting total positions at a given point in time, as well as transaction reports reflecting the receipts and disbursements for any given period are available on-line and in hard copy by using local or remote printers. Further, the investment management, as well as, reporting responsibilities of these systems are linked with security pricing services for the financial assets on the trust department accounting system providing current market value and projected income data.

Real Property and Land Records

The real property owned by a commercial bank trust department and the various incidents of ownership must be recorded in the trust accounting system. The underlying documentation to support the trust ownership is found recorded in the public records of the county in which the real property is physically located. The land records office is the repository for the current real property title or ownership documents as well as the historic chain of title. The land recordation activity is not a trust department function. The historic chain on the land record may include easements, leases, mortgage encumbrances and related documents deemed important enough for recordation. The trust department's record would reflect land ownership and the existence of leases or other documents relating to land it holds in trust that would produce a stream of income in the form of rents and royalty payments, etc.

5.1.2.2 Real Property Asset Recordation

County Court House

The county court house land records office or the clerks office will be the repository for an official recorded copy of the original title documents. The official record includes both current real property title documents and historical chains including easements and encumbrances deemed important to be recorded and the point in time when the obligation was or is to be satisfied. Commercial computer programs exist which are mechanize much of the duplicating and recording function - in some

situations providing both microfilm and digitized image records. The original title documents, such as a deed of conveyance, a mortgage deed of trust, or mortgage note, are not maintained by the county courthouse but rather once copied and recorded, they are returned to an appropriate party to the transaction. The newer commercial land computer systems permit third parties, such as title companies or real estate attorneys, to access the computer land records through interactive workstations. Alternatively, an interested party can research the current microfiche or digital image or the old photo copy of the land records.

Title Insurance Company

Title opinion reflecting an opinion on the status of title for a specific tract of land at a point in time is developed by title companies which are independent of the courthouse. Their function is to establish and certify title and chain of title and to resolve areas of conflict in the historical chain or clouded title. Until conflicts or areas of title clouds are resolved no transfer of title will generally take place.

Deed Abstracts

Deed abstracts are prepared by title companies or attorneys specializing in real estate transactions. They require a clear title usually guaranteed by the title company prior to finalizing a deed abstract. A deed abstract is needed to complete a title transfer. The abstract attorney is a third entity in the process of maintaining land records.

County Treasurer

Title transfer and recordation cannot occur until applicable tax stamps are attached to the deed of property. Additionally, there is a requirement to communicate with the county treasurers office to confirm that real estate taxes are paid in full to the date of sale.

5.2 Comparison and Contrast

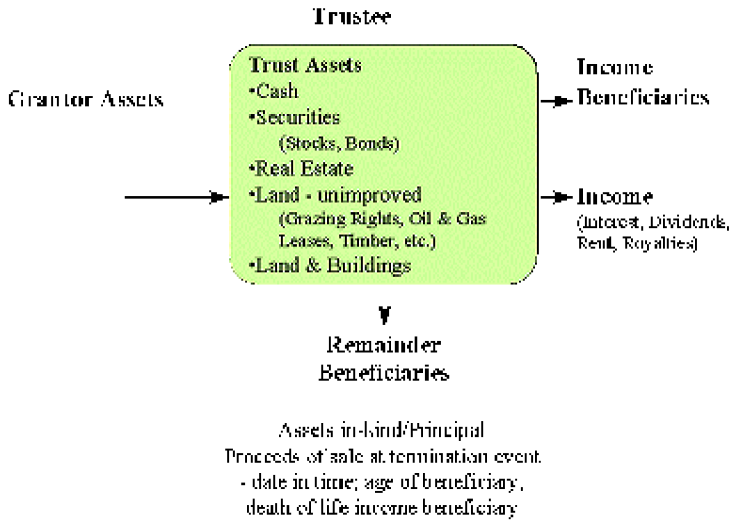
An important requirement of this project is the identification of the similarities and differences between the Indian Trust responsibilities/activities and those of a commercial bank trust department. As noted earlier in the statement of purpose, the objective is to design a road map for OST to evolve the Indian Trust management organization to a level of service and excellence which is equal in quality and performance to that found in trust organizations of commercial banks. The following reviews some of the key aspects of trust asset management and accounting within the two environments from a comparative assessment mode in order to more easily discern those areas where substantive differences exist providing critical gap visibility and, hence, to facilitate the process of identifying needs and prioritizing the steps to be incorporated into a future change plan. It should be noted that differences may be either positive or negative. This analysis focuses on the negative gaps; however, it notes that there is indeed an opportunity for a more electronic and closer interface between trust and land title which is not yet readily available in the non-Indian Trust world. Given an appropriate integration design with all the necessary audits and controls, such an electronic interface would provide a substantial improvement in productivity throughout the total process relating to land title activities.

In order to develop a comparative analysis between the Indian Trust Fund and a Trust Fund managed by the trust organization of a commercial bank, i.e., the measuring basis for the comparison, it is

important to understand the general characteristics of the activities or the business conducted by each of the entities. Figures 5.3 and 5.4 are graphic depictions of the basic business of the organizations.

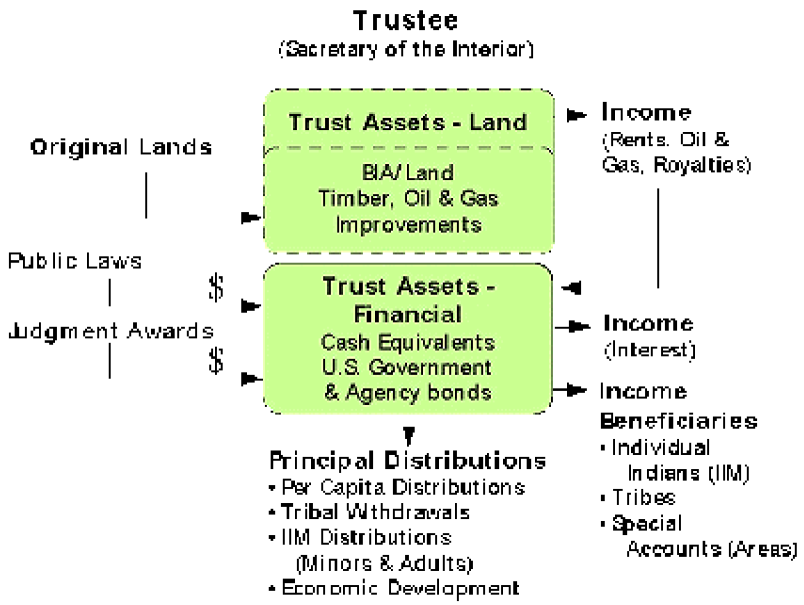
5.2.1 General Comparisons and Contrasts

Commercial Trust



The general characteristics of a commercial trust is depicted in Figure 5.3. The typical commercial or private trust fund is created by a grantor based on his specific personal and financial objectives for the beneficiaries. Such a trust usually has a defined or permissible users of income and principal and an ascertainable point in time at which the trust will cease to exist and assets are distributed. Exceptions to this are pension plans, employee benefit plans, charitable trusts, endowments, special interest trusts, etc. Also, the make up of the assets will consist of a wide variety of financial assets, real property and any number of miscellaneous personal assets, both tangible and intangible.

American Indian Trust



The general characteristics of the Indian Trust fund are depicted in Figure 5.4. The Indian Trust fund was established by the U.S. government when it granted lands in trust to Indian tribes and individual allottees. Revenues from that land as well as other cash resources, such as court awards and public laws, have added financial assets to the Indian Trust Fund. Regarding those financial assets, U.S. statutes govern the types of investments allowed for these financial assets and, to that end, there are fewer different types of financial investments in the Indian Trust than are found in commercial or private trusts managed by bank trust departments or commercial trust companies. This has been viewed by many as being a significant factor limiting the Indian Trust investment performance. An additional point for comparison is the fact that the Indian Trust does not have a specific or ascertained termination date. Its intent is to protect the land for the Indians in perpetuity.

Comparative Organizational Characteristics

Table 5.1 shows some of the organizational characteristics of the two trust activities. The Land Title Records Office (LTRO) is not included in the BIA/OST organizational characteristics since it exists only in the Indian Trust world. On the commercial side, the a multi-state organization for trust banking is hierarchically set up with **branches** to serve customers and beneficiaries. The **branches** typically report to **regions** all of which report to a **central office**. The commercial trust organization will have a number of centralized activities such as investment portfolio management, tax preparation, accounting, and reporting for customers and internal purposes. Likewise, in the Indian Trust world there is a similar structure, i.e., the **Agency** office parallels the branch, the **Area** parallels the region and all report up to the OST office in Albuquerque. Account administration in the commercial side is positioned close to the customer or beneficiary. Likewise we see a similar logic in the Indian Trust world. One important difference exists, however. Whereas the approach to administration is similar, i.e., both are near the customer, the structure of the organizations are quite different. On the commercial side, the entire organization involved with the administration of the trust is within the single bank trust entity. In the Indian Trust world, the responsibility of administration is divided between OST and BIA, two separate organizations within DOI. Accountability and control are at risk with such a division of responsibility and there is an overload of bureaucracy built into the process in the eyes of the customer, the Indian account holder. This was a concern voiced in several of the Tribal interviews.

Asset Management was reviewed for two broad categories; financial asset management and real property management. Regarding financial asset management, in both organizations this is a centralized function. The significant difference in this area was the types of investment instruments that are permitted under the regulations controlling the respective organizations. The commercial trust organization is governed by product investor standards; and in some states, by permissible investment statutes that provide safe harbor protection for the fiduciary. Indian Trust laws and regulations are more restrictive as to types of investments which are permitted. This was elaborated in section 5.1.1.1 under OMNI-TRUST.

Real property management, while having similar objectives, again, has a split organization responsibility between BIA and OST along with the potential dichotomy in priorities in the management process. A most significant difference, as noted in section 5.1.1.1 under OMNI-TRUST, is the fact that none of the land is included in the trust accounting for the Indian Trust. A second significant difference is in the identification and accountability of the lease activity on the Indian lands. In the commercial world, this management activity is performed by or with the oversight of a trust officer. Depending on the type of real property, the responsible trust officer may elect to contract a

specialized professional manager as a means of maximizing the revenue generation potential of the asset. Even with this option, the trust officer tracks the performance of the professional group and reports the results on a regular basis to trust management and the account owner or beneficiaries.

Trust operations, or the accounting function, are a central activity on a fully integrated system in the commercial bank trust world. The trust operations is substantially centralized for the Indian Trust world; however, the systems which support their activities are not as integrated and automated as in the commercial bank trust department. Also, in the Indian Trust there exists a plethora of local manual and PC based applications to support the various accounting and reporting functions making it difficult to manage, control, and report on a current position across the far-flung and diverse areas of activity.

The audit function is an important element in the effective functioning of the commercial bank trust organization and typically consists of three separate auditing or examination activities or groups: 1) an internal audit department reporting directly to the Board of Directors, 2) an independent third party CPA firm that oversees the internal audit program as well as does some on-site review and reporting and reports to the Board; and 3) a Federal and State regulatory compliance examiner who ensures that the trust organization is in full compliance with Federal and State laws regarding its fiduciary responsibility. When comparing this to the Indian Trust, there is a significant gap in audit coverage.

Whereas audits are conducted in the Indian Trust, the findings suggest:

1. Activities are focused on special requests with no comprehensive objectives and no regularly scheduled internal auditing activity being conducted
2. An externally conducted (third party) annual financial audit in compliance with a 1995Congressional mandate.

5.2.2 Specific Comparisons and Contrasts

Figures 5.3 and 5.4 and Table 5.1 provide a general comparison and contrast of the two trust worlds --- Commercial and American Indian. More specific comparisons and contrasts are provided in Appendix 5A. The categories and subjects for these comparisons and contrasts are:

General

1. Overall Purpose
2. Needs & Requirements
3. Fractionated Interest

Trust

1. Trust documents
2. Type of trusts
3. Account holders and Account ID
4. Trustee
5. Management
6. Oversight
7. Organization
8. Assets

9. Real Estate Activities
10. Real Property Appraisals
11. Reporting to Account Holder
12. Reporting to Management
13. Audit & Compliance
14. Probate
15. Payment for Services
16. Taxation

Land

1. Title plant
2. Taxation
3. Abstractor
4. Title opinion

5.2.3 Significant Gaps

While many of the subjects reviewed are distinctly different due to differing organizational objectives, many differences are not relevant in identifying areas for change that can bring the American Indian Trust operation to the level of performance and quality considered to be on a par with the commercial world. The subjects for which the differences are relevant are provided in Table 5.2 below

Table 5.2 Relevant Significant Gaps

Subject	Commercial Bank Trust	Indian Trust
A. GENERAL		
3. Fractionated Interest	• Generally not a problem in the commercial trust departments. Most states have a variation of the rule that will not permit a personal trust to continue beyond a life or lives in being and 21 years. This will therefore limit the number of potential future generations that may ultimately take a trust asset share at the termination of a trust and therefore the fractionated interest. The industry standard in those departments with significant oil and gas interests is to carry the fractionated interests to 7 decimal places. Individuals with this responsibility in trust departments have indicated that any further division is not	• There is an apparent lack of constraint on the fractionated interest resulting in a continuing division, generation after generation, of a property interest to the point that a significant number of interests have no real current income or economic value. Probate records for individual Indian decedents evidence the existence of multiple fractionated interests reflecting no income for 5 years and no value for the underlying property interest.

	economically necessary since any smaller interest will not produce an income stream or fractionated interest that has any meaningful value. In some states, there are some existing taxes that also have a limitation effect on small interests which tends to force the sale of small interests and an accumulation to a meaningful economic share.	
B. TRUST		
5. Organization	• Commercial trust responsibilities are generally conducted by a Trust Department within a commercial bank or by a subsidiary trust company established by a commercial bank or a registered bank holding company. In recent years, some states have allowed the formation of unaffiliated or stand alone trust companies sponsored by individual investors, as well as, those sponsored by brokerage firms. The Trust Department organization, generally, will be headed by a Manager and a deputy Manager, who will use officer committees to provide oversight and group judgment in the exercise of major fiduciary decisions and discretionary action. The Trust Department Manager is responsible for and has the authority to do all that is required to discharge the fiduciary responsibilities of the organization. Thus, all elements of the organization that have a part in the conduct of the trust activities report to the Trust manager for unity of purpose and accountability.	The task of managing the Indian Trust assets is currently split between two organizations, namely, the Bureau of Indian Affairs (BIA) with the responsibility for the social welfare activities relating to the Indians and for the prudent management of the Indian real property and OST with the responsibility for the financial assets. Adding to this division of Indian Trust responsibilities is the problem that real property is excluded from the trust accounting system. Thus, there is no comprehensive reporting of the Indian real property internally or to the holders of the trust accounts. This deficiency makes it difficult for either organization to ensure that all trust assets of the Indian Tribes and individuals are effectively managed. An OST office in Albuquerque is headed by a director who has various subordinates to carry out administrative, asset management, investment responsibilities, distribution and trust accounting and reporting responsibilities.

6. Management	• The board of directors of a bank will delegate trust oversight to a trust committee composed of board members and will designate a trust manager to carry out the day to day trust responsibilities. The trust manager will be given the responsibility for and authority over all activities and personnel directly involved in the discharge of the trust responsibilities of the organization. The trust department will be organized into operating departments to carry out administrative, asset management, investment responsibilities, and trust accounting and reporting responsibilities.	• The management of the Secretary's Trust responsibilities are dispersed among a number of DOI bureaus, departments and services, including the OST. There is not a single manager with responsibility for and authority over all activities and personnel involved in the Secretary's responsibilities for Indian Trust lands and their related assets. The Special Trustee has appointed a senior management committee and has delegated daily management to the OST office in Albuquerque. The Albuquerque office is headed by a director who has various subordinates to carry out responsibilities relating to Indian Trust financial assets.
11. Reporting to Account Holder	• Reporting to clients and beneficiaries includes: • A periodic statement of assets, made to the client establishing the account and the current income beneficiaries. The statement of assets is for a specific day or point in time reflecting market values and projected income amounts as of that date. These reports of assets are frequently accompanied by investment performance data comparing an account's total investment return to appropriate market indices, such as, equity and bond indices. • A periodic transaction report reflecting receipts, disbursements of income (interest, dividends and lease payments plus paid bills or distributions) and elements of principal receipts, such as, sales of stocks, bonds and real estate.	• Reporting to Indian Trust account holders includes: • Individual Indians are not currently receiving a statement of assets since the major asset is land that is not on a trust accounting system. • Individual Indians do receive a transaction report itemizing income, disbursements and distributions. • Tribal accounts are on the OMNI-TRUST system. Tribes receive statements that itemize the financial assets that are in trust for the tribe. The real estate holdings of the tribe are not on the OMNI-TRUST system and therefore are not a part of the statement of assets. The tribal account holders receive a statement of transactions for a given period that reflect the receipts of income and principal relating to the assets held in their accounts.

12. Reporting to Management	• A variety of financial reports are made to the trust department management and the trust committee. Reports include a balance sheet and statement of trust assets and liabilities. The assets held in trust and the liabilities to the various categories of trust accounts (e.g., estates, trusts, employee benefit, agency, and custodian accounts) are reflected in the reports. Trust management also receives reports on exceptions, such as, accounts not reviewed within the frequency established by policy; past due notes, bonds, and debentures; overdraft accounts, etc. Other reports include account workloads for individual administrators and units within the department; new and closed business data; investment performance data for groups or types of accounts, as well as, for common trust funds as compared to industry standards. Another category of reports relate to the departments financial results, e.g., income and expense comparing budget to actual performance and variances.	• Status reports are the responsibility of the OST Albuquerque office. Summary of status is given to the Albuquerque office Director on a periodic basis during staff meetings. • The Trust Services manager provides investment status reports to the Albuquerque office Director. • Regular reports are provided: • Customer Services Group (monthly) • OST Senior Management Committee (monthly - performance and compliance) • Overdraft payments (daily) • Trial balance sheet (monthly) • No recurring reports on real estate asset performance, however, there are annual reports for: • Leasing activity • Lease compliance providing the number of leases and the violations.
13. Audit and Compliance	• The board of directors receives annual reports from the internal audit department that is responsible only to the board of directors. In carrying out the internal audit function, the independent or outside CPA firm, also reporting to the board, will provide oversight and direction to the internal audit staff on the actual audit program or verification steps taken each year. • Additionally, the appropriate federal and state banking regulators will have trust	• Special audits of a specific activity occurs from time to time at the direction of the Albuquerque office Director. • There is an annual audit conducted by a third party (contractor) with the report provided to the Albuquerque office Director and to the Inspector General.

	examiners conduct a periodic examination of a trust department. The examination centers on the overall management of the department, the level of compliance with federal regulations, as well as, the stated policies and procedures of the bank and trust department. The regulatory report and resulting rating is a confidential report to the board of directors.	
15 Payment for Services	• Commercial trust services are provided to clients at a fee intended to cover all costs associated with providing the service and at a reasonable profit to the organization. In some types of services, competitive pressures may reduce profitability. • Commercial trust service fees are generally in the range of 1% of the assets actually managed with a higher percentage for estate administration and lower percentage for non-investment management services, such as custody services. There are also minimum annual fees for different types of services that can range from a low of $500 for custody type accounts to a high of $5,000 or more for full investment management services at banks catering to the high net worth clientele.	• Individual or tribal account holders are not charged fees. All costs associated with providing the necessary services are paid from appropriated funds.
16. Taxation	• Taxation is imposed at a multiple level: • The bank or trust company will pay federal, state and local taxes on its earnings, on the property, real and personal used in the delivering the services. • Estate and trust accounts may be required to pay federal, state and	• No taxes are paid on the Indian Trust assets, real or personal property. Income from Indian Trust property is generally not a taxable event for the individual Indians or Tribes. However, interest earned on income is taxable and reported on a 1099 or K-1a (Osage Indians) for

	local taxes on the income and capital gains generated within the account under certain circumstances. Generally, under federal income tax laws, a deduction is allowed for distributions to beneficiaries, • Individual account holders or beneficiaries will be required to report and may pay taxes on income and capital gains distributions received by them to federal and state and local governments.	individual Indians. Tribes are not taxed.
C. LAND		
1. Title Plant	• The title plant or land records office is not an activity performed by the bank trust organization. This is a county court house role; hence, any title clarification or recordation requirement initiates a request for information from the county.	• Referenced as the Land Title Records Office (LTRO), this function records title and any actionable documents affecting the title on the tracts of Indian Trust land. The LTRO is responsible for Tribal lands in fee status, if Tribes tell the LTRO that they have such lands. • The activity of LTRO consists of 1) recording title documents, 2) creating a certified title status report, 3) providing for probate an inventory of a decedents land holdings, 4) providing a certified document on individual Indian or Tribal land holdings on request (subject to appropriate authorization), 5) conduct on-demand research to satisfy court requests, and 6) provide maps of Indian lands as required.
2. Real Property Taxation	• Title transfer and recordation requires that tax stamps are attached to the deed. Tax stamps represent proof of payment for services rendered by the registrar of deeds. • When selling or transferring property, it is necessary to provide a statement of any	• Not an activity for Indian Trust properties.

	unpaid real estate taxes due on the property under consideration. Completion of sale requires that this unpaid tax obligation is satisfied as a part of sale closing.	
3. Abstractor	• A recognized abstract attorney is engaged to prepare a valid abstract of deed which in turn requires that a free and clear title exists. Proof of that is prepared by a title company.	• Preparation of the abstract of deed is a function performed by LTRO.
4. Title Opinion	• Title companies or title insurance companies are engaged to prepare a title opinion, certify title validity, and insure the title. Their services are obtained whenever there is a real estate sale.	• LTRO is responsible for preparing a Title Status Report (TSR), the equivalent of a title company's proof of valid free and clear title.

The features discussed in Chapter 7 address the process issues which effectively minimize these major gaps. The OST Strategic Plan addresses the organization and management issues. Fractionated property interests remain a burden and constraint. The trust system which would be put in place should be able to deal with an on-going existence of this issue, the self correcting constraint which exists in the commercial world, i.e., the costs of the trust services and minimum fees do not exist in the Indian Trust world, and, hence, the resolution of the gap apparently will require that a statute be put in place to establish an appropriate solution.

Training

6.0 Introduction

As a critical element of the needs analysis project, this chapter addresses the topic of training from the perspective of the internal and external users themselves. Based on information obtained during field interviews, internal and external users reported that training plays an important role in their ability to perform their jobs and may also be a solution for increasing interorganizational effectiveness.

This perspective includes:

1) The skills required by internal and external users

2) Recommendation on training required by the internal and external users to make them ready to use a new "information infrastructure."

Assumptions

· The training plan has been developed to train trust personnel to perform Function/Tasks in accordance with their job requirements to the extent permitted by the current trust organization. The organization includes The Office of the Special Trustee (OST), the Bureau of Indian Affairs (BIA), trust land asset management organization (Land Title Records Offices and other realty personnel), and Tribal representatives and members.

· The training plan is dependent on the development and implementation of policies and procedures that set mandatory performance standards and dictate the performance of trust tasks. Currently, there is a significant gap in the availability of trust policies and procedures. The personnel of the Branch of Policies and Procedures are working to resolve this.

6.1 How To Use This Chapter

The training chapters of this Draft Final Report can be used throughout the trust training development and delivery life cycle in two ways:

· Chapter 6 presents methodology, field data, and findings, for and about trust training.

· Chapter 9 is a collection of training tools that are meant to be used to establish, develop, deliver, and modify trust training over the next 5 fiscal years.

The members of the Indian Trust Fund world claimed the need for training as one of their most critical and urgent needs. It is extremely important that trust training be timely, thorough, efficient, and reflective of the unique Indian trust fund training audience and subjects. If used correctly, this approach will result in the training necessary to provide trust workers with the skills needed to perform their jobs in accordance with standards upheld in the commercial trust world. To ensure this important goal, it is essential that readers understand the importance of this guide to trust training development and delivery.

This chapter was fashioned using a logical building-block methodology; each section was developed directly as the result of the analysis performed and decisions reached in the section that preceded it. The analyses and decisions were comprehensive and determined to be in the best interest of the training audience. As trust training is developed and delivered in the coming months and years, there will surely be the need for changes in the basic design or information offered. Users of this chapter should record those changes in the appropriate sections, with the understanding that changes in one section affect many of the succeeding sections, **This approach will provide training designers and coordinators with the assurance they are providing excellent, targeted training to the trust training audience**

6.2 How To Use Each Section of the Chapter

The table below provides a guide on how each of the chapter sections should be used by readers, training developers, and training coordinators (those who schedule training and manage the training budget). Please note that some of the sections provide more than one type of information.

To read about the **methodology and design** of this chapter **Section 6.4**

To read a **summary of our findings**.**Section 6.5**

To read a detailed analysis and findings **Section 6.6**

To read a **summary of recommendations**.**Section-6.7**

To read about **GPRA and trust training Section 6.5**

To read about *and to revise information on* **available trust training systems**.**Appendix 9A**

To view *and to revise* the **lists of government and commercial trust labor** categories .**Appendix 9B**

To view the **gaps between government and commercial trust workforces Appendix 9B**

To view *and revise the* **Transitional Trust Functional Model** (which shows how Trust functions and tasks are grouped and implies where each labor category will be placed)

Appendix 9C To view *and revise the* **proposed government trust job descriptions with critical**education and skills requirements and job tasks **Appendix 9D** To view *and revise the* **required knowledge and skills sets for each proposed trust**labor category **Appendix 9E** To view *and revise the* **study topics for each proposed trust labor category Appendix 9E** To read about **trust courseware gap analysis Appendix 9F** To read *and revise the* **list of missing trust courseware Appendix 9F** To view *and revise the* **list of trust courseware that must be developed Appendix 9F** To view *and revise the* **trust training development and delivery schedule Appendix 9G** To view *and revise the* **costs associated with trust courseware development and** training delivery **Appendix 9H** To read about **performance objectives**, and to view a sample **Appendix 9I**

Table 6.1

6.3 When and Where to Make Changes in the Chapter

As discussed earlier, changes to any section of the chapter imply necessary changes elsewhere. Below is a guide to how to be sure the changes are made in all the relevant places.

If you...
...delete or add a course to the course catalogue in Appendix 9A, check to see if it meets a training need as identified in the skills and knowledge sets in Appendix 9E, and add the course to the training schedule and cost databases. ...delete or add a labor category in Appendix 9B, revise the job descriptions in Appendix 9D, revise the knowledge and skill sets, and add or delete training for that labor category in the training schedule and cost databases. ...revise the educational or performance requirements in the job descriptions in Appendix 9D, revise the skills and knowledge required for the corresponding labor category in Appendix 9E.

...reorganize the functions in Appendix 9C review whether labor force and location

changes affect the training schedule and costs in Appendix 9G and 9H.

...revise the skills and knowledge sets for any labor category in Appendix 9E revise the courses assigned to a labor category.

...discover existing courseware or create new courseware add it to the course catalogue in Appendix 9A and remove it from the list of missing courseware in Appendix 9F.

...require changes in training schedules revise the master schedule in Appendix 9G.

...discover changes in costs of courses revise the costs in the course catalogue in Appendix 9A and in the training delivery cost database in Appendix 9H.

Table 6-2

6.4 Methodology

A series of tasks and steps were performed that were necessary to the development of this chapter. The approach was based on three methodologies: Research and Data Collection; Content and Descriptive Analysis and Frequency Analysis; and the Instructional Systems Development (ISD) Analysis and Design. All the methodologies require the performance of sequential tasks and steps, each of which serves as a necessary prerequisite to the subsequent tasks and steps that follow it.

Each of the methodologies provides the following capabilities:

· Research and Data Collection: Field data collection and research of trust training systems

· Content, Descriptive, and Frequency Analysis: Identification of training needs and calculation of response frequencies

· ISD Analysis and Design: Identification and description of training audience, course concept and outlines, course delivery schedule, and cost.

This comprehensive, systematic approach was selected because it captures all crucial elements of a given training challenge at the beginning of a project, thereby eliminating surprises later. For example, if a training designer does not accurately and thoroughly identify and describe the training audience during the early training analysis phase, he or she can never be sure any newly designed training is truly relevant for the audience. At worst case, a participant will receive training, developed and delivered at considerable cost, that fails to meet training needs.

The following table describes the methodology steps for trust training analysis and design using the three methods described earlier (i.e., Research and Data Collection, Content, Descriptive and Frequency Analysis, and ISD Analysis).

Methodology Steps for Trust Training Analysis and Design		
Research and Data Collection	Content, Descriptive, and Frequency Analysis	ISD Analysis
• Field data collection • Identification of existing commercial standard-trust training systems	• Analysis of field data by labor category • Analysis of field data by site • Frequency analysis	• Identification and comparison of government trust task performance and commercial trust performance (by labor category) (includes identification and description of government and commercial-trust labor categories) • Skills gap analysis (government vs. commercial sector) • Identification of government trust organizational and functional model • Placement of trust personnel into the model • Development of improved and proposed government trust labor categories and job categories • Development of study topics necessary for each trust labor category • Identification, description and selection of

		existing courseware appropriate for meeting skill gaps • Identification of needed courseware for which there are no providers • Creation of plan for new training material development and training delivery, including costs and schedule

Table 6-3

Chapter 9 provides more detailed information on the performance of each of these steps.

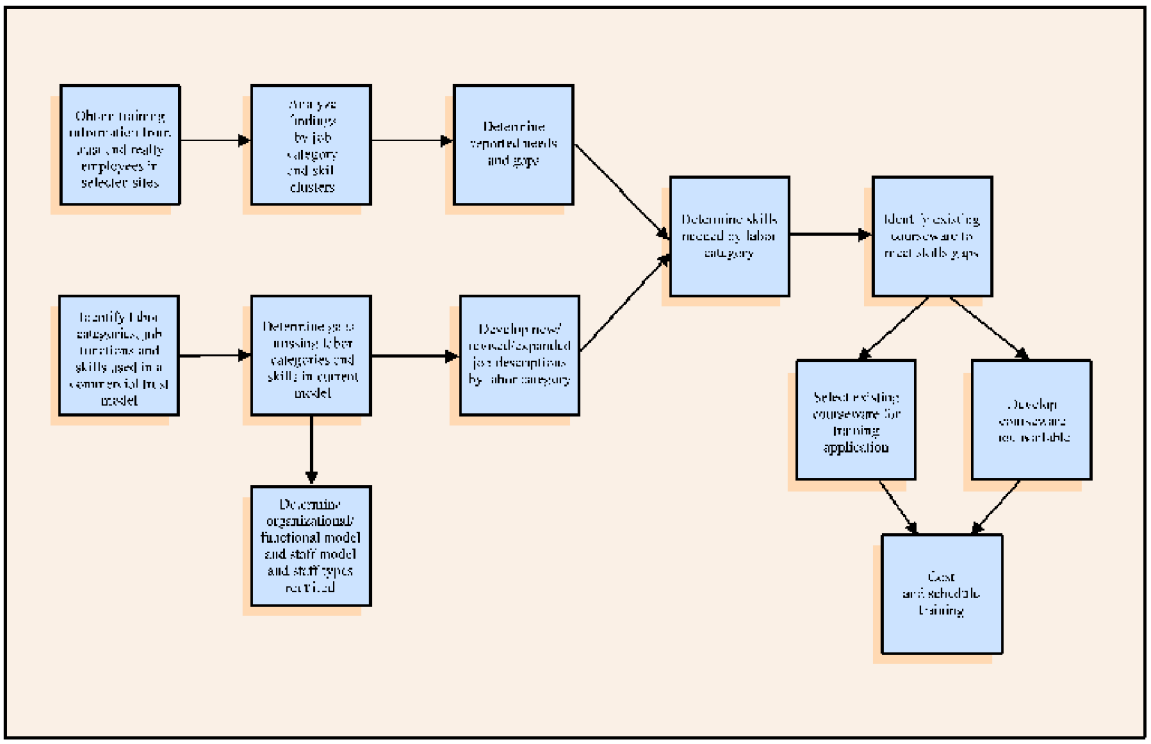


Table 6-4 Flow Diagram of the Training Plan Development Process

6.5 Skills and Training Analysis and Findings

For each of the steps listed in the flow diagram above, specific findings and observation as well as other information necessary to demonstrate how the training plan evolved are summarized in the sections below.

Field Data Collection

Data was collected during hundreds of interviews with Tribal representatives and government trust

personnel. Interviewees were asked what training they had received, as well as what training they needed. Other training-related data was collected including information about training delivery systems, training timeliness, and training materials accuracy.

Analysis of Field Data by Site, Labor Category, and Frequency

Field data was examined by site, labor category, and frequency for discrete comments. Section 6.61

contains extensive and systematic documentation of this analysis step, whose findings served as the foundation for all the training analysis and development steps that followed. Findings from this analysis are summarized below.

Training Needs Findings by Frequency of Data

· The training received and the training needed or requested by staff were similar. For example, computer training was mentioned as the most frequent type of training received, yet it consistently ranked within the top five types of training needed across all types of staff. In addition, trust training and accounting training were mentioned as two types of training frequently received by staff, yet these topics were also mentioned as needed across staff types.

· For OST staff, various types of computer training and trust training were received most frequently, while computer training was the most frequently requested type of training needed.

· In terms of other types of training needed by staff, the second most frequently requested or needed type of training was for clarification of roles and responsibilities, specifically the roles of BIA and OST.

· Many staff also requested communication skills training, trust management, and investment training.

· Few staff felt they would not benefit from additional training.

Findings About Current Training Systems and Approaches

· A large portion of training took place on the job; a supervisor or other experienced person provides quick instruction to the learner on an as-needed basis.

· Some staff could not recall any recent training experiences other than learning by doing.

· Current management systems do not effectively track job performance and therefore cannot effectively evaluate training needs.

· There are no consistent, standardized training courses, with a few exceptions such as OMNI-TRUST training, that are systematically provided to each labor category.

· Formal courseware has been delivered by groups within and by approximately eight organizations: OST, BIA, Office of Personnel Management (OPM), Bureau of Land Management (BLM), U.S. Department of Agriculture (USDA), community educators, software vendors, and corporate trust educators.

· The lack of consistent training support and performance evaluation has resulted in uneven and varied performance within each labor category, and has severely hampered or actually prevented the ability of trust personnel to perform their jobs in accordance with the standards required for a fiduciary role.

Findings About the Training Audience and the Training Environment

· A significant number of trust personnel live and work in isolated communities, making it difficult for them to travel to training sites or for trainers to reach them.

· Some personnel would prefer training at their worksite rather than having to travel.

· The training audiences are very diverse in age, culture, level of knowledge, language and geographical location. Length of time performing job tasks varies from a few months to many years.

· Training is needed at every staff level.

· Most personnel do not understand the "big picture" of how the trust system works, nor do they understand interorganizational relationships.

· Finding the time to attend training is difficult for most trust personnel, primarily because time away from the job results in a severe backlog, as backup staff are not available.

· Most people were unable to identify any criteria or standards for their job; many wanted guidance in this area.

· There are situations where training has been delivered but the new skills are not being used.

· People have a high degree of responsibility relative to their grade levels, many of which are quite low; this is particularly acute for OST personnel.

· Many tasks do have *de facto* policies and guidelines in place, but there are no official policies and processes.

· Some tasks are still completed manually because people are uncomfortable using new technology

· Personnel have new equipment or software but do not know how to use it; many offices were upgrading equipment and software the day of our visit.

A Note About Federal Government Requirements for Improved Performance and Accountability

Recently enacted legislation requires improvements in government accountability and a move by the Federal government to systems, functions, and reporting comparable to that of the private sector:

· The Government Performance and Results Act of 1993 (GPRA)

· The Chief Financial Officers Act of 1990

· The Government Management and Reform Act of 1994

· The Information Technology Management Reform Act of 1996

The thrust of this legislation dovetails with the current effort underway by OST to improve processes, upgrade systems, and develop an organizational structure that will support a trust model more closely aligned with the commercial world.

As OST embarks on these changes and challenges within the next several months, an ideal and unique opportunity avails itself to OST staff to weave performance measure tools and standards in with anticipated organizational changes and staff job modifications and upgrades.

The training plan provided in this report, including job descriptions, required skills and knowledge by labor category, incorporates the concepts of performance measurement, strategic planning, and accountability. Specifically, it is envisioned that division directors and branch chiefs will lead general efforts in this direction. In addition, staff skills at the regional and field office level will be tied to designated performance objectives, thereby improving performance and providing the structure for job tasks that staff indicated they wanted.

Performance measures should include measures of organizational and staff performance. The organizational measures will enable OST to determine if the organization is meeting its charge or mission, and staff will know if they are performing their assigned duties to meet individual and organizational standards.

To illustrate, one possible standard for OST is:

Each individual Indian or Tribal account holder can obtain account information about his or her trust fund balances, recent postings of income to the account, and disbursements within five minutes of requesting the information in person or on the telephone.

This sample standard sounds the theme of customer service and provides direction for staff on daily priorities and efficiency. To meet this organizational standard, OST would develop procedures, and automated systems, and train staff to handle such requests. At the staff level, the standard would be broken down into discrete task objectives. From this standard, staff performance objectives and tasks could be derived which could then be used as benchmarks for measurement of organizational and staff effectiveness.

Appendix 9I contains a sample performance objective and standards statement for a customer service representative. Each staff member would require an overall job performance objective and supporting task performance objectives.

6.6 Detailed Analysis and Findings

The following discussion provides a detailed analysis presented by staff types grouped by organizational affiliation: Tribal, BIA, and OST.

A. Tribal Council Member Staff and Training

KEY FINDINGS

- *Tribal staff turnover is high-many Tribal staff were in acting positions, needing skills and lacking a permanent position*
- *Tribal leaders and staff received the following training: OMNI-TRUST system, accounting, BIA-offered, and computer*
- *Tribal leaders and staff most frequently requested training that would enable them to understand trust, investments, and that would enhance their communication skills. They also felt this training would be useful for Tribal members in general. Information about OST was also requested.*

Tribal Respondents

Approximately 89 individuals were included as part of the Tribal interviews (both phases of data collection). Of these, 8 percent were in acting positions (treasurer or controller) or were formerly in a position.

The most frequently interviewed categories of staff included controllers (16 percent), financial officers (13 percent), treasurers (11 percent), and Tribal council members (10 percent). Other categories of Tribal staff interviewed included administrative staff (Tribal operations and program compliance), accounting staff, managers, and others.

Tribal Access to Accounts

Only a few respondents (less than 10) had comments related to account access. The turnover of Tribal staff and difficulty reading Trust Fund statements were mentioned most frequently as problems in terms of access. A few Tribal members commented on access to IIM accounts, indicating they were receiving queries from IIM account holders.

Tribal Training Received

Responses were not detailed, however, respondents indicated they had received the following types of training:

· OMNI-TRUST training

· On-the-job training

· Accounting training (course work or degree)

· BIA training (on various topics)

· Computer training.

Other topics mentioned included finance and investments.

For controllers, OMNI-TRUST training and on-the-job training were mentioned most frequently. Only one controller stated he/she had received a bachelor's degree in accounting. Respondents also mentioned they had received no training.

For financial officers, no training, OMNI-TRUST training, and previous employment were mentioned the most frequently in terms of the training they had received for their current position. Accounting courses and credit and financial seminars were also mentioned.

Treasurers indicated that OMNI-TRUST was the most frequent type of training received. They also listed training related to trust activities, accounting classes, and investments seminars.

Other staff had on-the-job training, BIA-sponsored training (courses not specified), accounting training, finance training, and OMNI-TRUST training.

Training Tribal Staff and Council Members Would Find Helpful

The most frequently mentioned response by respondents was that they needed training related to trust activities. This includes such topics as trust fund processes, how the trust works, how interest is determined, and trust functions. The next most frequently listed response was for OMNI-TRUST training. Many had been trained, but because of staff turnover or infrequent use of the system, respondents still indicated they needed additional (and ongoing) training support.

Investment training was another area in which respondents indicated they wanted training. They did not describe what investment training would include; however, a few respondents mentioned topics such as "What is an overnighter" and "what types of investments generate the best return?"

Training related to communication skills was also frequently mentioned. This training includes conflict resolution and use and delivery of trust fund information (how to effectively deliver information to Tribal councils).

Other topics also mentioned by multiple respondents included training on OST operations, computer training, accounting training, and training to help them better read the OST reports.

The controllers, treasurers, and finance officers the most frequently requested training was on trust activities, followed by training on OMNI-TRUST, investments, computers, and use and delivery of trust fund information. Controllers wanted training on OMNI-TRUST, trust fund activities, and training for council members. Finance officers wanted training on OST procedures, computers, OMNI-TRUST, investments, and trust fund management and functions while treasurers expressed a need for training on trust funds, processes, and systems. Other staff interviewed at Tribes also wanted these types of training, however, they also expressed a need for accounting training.

Other Tribal Training Needs

The Tribal questionnaires contained multiple questions that gave respondents an opportunity to express other training needs. The data was reviewed to extrapolate training needs cited as part of the responses to these questions; however, we made an effort not to include information that was repeated verbatim from earlier training questions or was captured as part of the specific training questions. We only abstracted those training responses that were not stated previously.

Tribal respondents were specifically queried as to what other training needs Tribal members needed. Respondents indicated that training related to investments; trust systems, processes, and accounts; reading trust fund reports; and computer training were needed. They also listed clarification of OST roles and responsibilities and trust fund databases as training needs.

Tribal staff and council members expressed opinion about their general needs related to the trust fund process. Two topics in this area received the most number of mentions. They were training (or information) specific to OST, such as its structure, contact persons, need for meetings with Tribes, policies and procedures, understanding the process, and learning their services. Respondents also expressed a general need for training overall (without specifying exact content or topics). Other topics of interest to respondents included investments (including yield of assets and investment benchmarks) and general trust information, including asset use planning.

Suggested Formats for Tribal Training

Respondents suggested several ideas or formats for the training. One respondent suggested newsletters or brochures. This could be used to follow up a hands-on training, reiterating the concepts learned in the training. One respondent stressed the importance of face-to-face meetings. Better communication was also suggested. Respondents stated they felt they were not in the loop and did not know about proposed changes. One respondent suggested that software be designed that enabled him/her to learn processes, while another wanted benchmarks for performance established. The use of graphics to make things clear was recommended, as was using paper (hard copy) for some materials so that everything was not computer based. Training multiple individuals at the Tribal level was also suggested, as turnover among positions (elected and appointed) occurred often.

B. Bureau of Indian Affairs Staff Training

Land Title Records Office (LTRO) Respondents

A total of six LTRO employees whose daily jobs were performing tasks directly associated with title plant or land title records, were interviewed. This analysis excludes individuals involved at the Agency level performing probate functions.

Job titles for these individuals include LTRO manager, manager–land titles and records and realty and LTRO officer. Not all job titles were reported. LTRO staff are all located at area offices.

LTRO Staff Training Received and Requested

Only one respondent provided information in terms of the training received. In this instance, the LTRO manager received Windows 95 and WordPerfect training (through the local vocational technical school), and had taken accounting and finance courses at college.

Suggestions for future training included the following:

· Make system upgrades and improvements more user friendly and efficient

· Provide opportunities for LTRO staff to have grade and career advancements

· Provide training on legal issues associated with probates

· Provide incentives as part of the performance evaluation system to track productivity.

Respondents listed turnover as a problem and the need to continually train new staff.

Land Operations/Natural Resources Respondents

KEY FINDINGS

- The most frequently received types of training by land operations/natural resource staff included basic computer operations, IRMS training, customer service training, written communications, stress reduction skills, supervisory skills, and financial training.
- An orientation to OST was the most frequently requested type of training by staff.

The data collection team completed a total of 30 interviews (i.e., data files) with land operations/natural resource staff during the two data collection phases. The majority of interviewees worked at the Agency level; however, interviews were conducted with some Area Office staff and some Tribal members who performed these functions. Half of the interviewees had titles associated with forestry. The next largest group included staff with titles related to natural resources (most of the Tribal staff were in this group). Range staff were the next largest group of interviewees, while land management staff were the smallest group. Staff titles are shown below in Table 6-5.

Land Operations/Natural Resources Respondents

Forestry	Natural Resources	Land Management	Range
Forestry Supervisor	Natural Resource Officer	Land Management Specialist	Range Land Management Specialist
Acting Forestry Supervisor	Natural Resource Specialist	Acting Branch, Head Land	Range Management
Forester	Director, Natural Resources	Use	Specialist
Forest Manager			Range Officer
Assistant Forestry Manager	Director, Water & Natural Resources		Range Technician
Forestry Technician	Manager, Branch of		

Forestry Forestry Officer Supervisory Forestry Assistant Trust Forester	Forestry Resources Resource Development Officer		

Table 6-5

Land Operations/Natural Resource Staff Training Received

Although multiple types of training courses were given, few were duplicated across respondents. Eight types of training were mentioned by more than one respondent. These included the following:

· Basic computer operations

· On-the-job training

· IRMS training

· Customer service training

· Written communication

· Stress reduction skills

· Supervisory

· Financial

One respondent indicated that the supervisory training was "mandatory" by the agency. Other types of training received by respondents included appraisal training, dBASE training courses, range management, fire suppression, total quality management (TQM), disaster training, LAN training, telecommunications, Internet, Geographical Information System (GIS), word processing, trust-related functions, oral communication, typing, accounting, forestry asset management, and stumpage.

Training providers included the employee assistance program (stress management); local college, vocational technical school, or Tribal computer training center for computer courses; Office of Personnel Management (OPM) for dBASE software course; and the BIA and OPM for supervisory training. One respondent indicated that a private company (Fred Pryor and Associates) conducted training in customer service.

Land Operations/Natural Resource Staff Training Needed

There were fewer responses in terms of training needed for land asset managers and specialists. Only one topic received more than one mention—an orientation to OTFM systems and jobs. Other

suggested training topics were computer-related. These topics included dBASE, Lotus, WordPerfect, LAN, telecommunications, Internet, GIS, and IRMS. One respondent suggested that training on specific regulations, such as trespass income, be provided.

Land Operations/Natural Resource Staff Training Issues

Land asset staff made general training recommendations. One respondent stated that generally, personnel were poorly trained. Another indicated that staff needed training in banking functions because they were performing banking functions with no training. With respect to computers, one individual concluded that computer staff with an expertise in LANs were needed at the Agency level, while WAN expertise was needed at the Area Office level. Finally, one respondent said that the Trust responsibilities needed to be defined (in terms of what they were and were not).

Area Office Director Respondents

KEY FINDINGS

- There were no consistent training requests by area office directors

Only two Area Directors were interviewed. Both saw the need for training. One specifically mentioned the need to train staff and Tribes to provide skills that would assist in the transition to self-governance. The other director felt that staff needed tools and resources to do the work required. One made strong observations that OST must work together with BIA to accomplish a successful trust system.

Superintendent Respondents

KEY FINDINGS

- *Training that details BIA and OST responsibilities was cited by one third of the superintendents interviewed.*

- *Superintendents also felt that computer training, accounting, and real estate/realty training was needed by Agency staff.*

A total of 22 superintendents were interviewed during the course of the project; all but three were interviewed during Phase 2 of data collection. Of the 22 superintendents, one was acting and one was a field office director.

Few superintendents provided information about training they had received or needed. Most of their comments related to staff training needs or issues associated with training.

Superintendent Training Received

One superintendent indicated he/she received computer training (source was not mentioned). Two stated they needed additional training related to technology; one specifically mentioned the need to be trained on Word, Excel, PowerPoint, and Windows 95. The other superintendent wanted to attend meetings that would provide information about technological advances; in other words, he/she wanted to know what was available.

Training Needed for Superintendents and for Agency Staff

Fully one third of the superintendents expressed a need for training that detailed BIA and OST responsibilities. The next most frequently mentioned staff/general training need was related to computers, with training on the "new system" mentioned, as well as general computer training, software packages, and Windows 95. Another superintendent expressed a need to train staff so they could "appreciate the electronic age." Two other training topics received multiple mentions. They were training-specific to accounting skills and real estate/realty training. Appraisal skills and general training were also mentioned more than once.

The superintendents also listed the following topics as possible training modules for their staff:

· Property management

· Paralegal skills

· Entrepreneurial skills

· Relationship with Tribes

· Self-determination

· Social services

· Credit

· Forestry

· Backup functions (i.e., cross-training of staff)

· Two percent escheat to Tribes

· IIM accounting

· Interpersonal communication

· Customer service.

Superintendent Comments on Training

The superintendents also made several general comments related to training. One superintendent suggested that the number of required government training courses should be reduced, particularly when courses were not relevant.

Two superintendents commented that communications from headquarters need to better. In a related comment, another superintendent suggested that superintendents be mailed "courtesy" copies of materials mailed to Tribes, as the Tribes often call the Agency superintendent when they have questions. When the superintendent does not have the information, he/she cannot provide any

assistance to the Tribe.

One superintendent suggested that a menu of computer and professional training opportunities be made available, to include OPM, BIA, and private courses.

Another wanted some type of management tool that would measure success (performance) and enable the Agency to determine how well it was faring compared with other agencies.

One superintendent suggested that continuous training was needed at headquarters because of the high staff turnover. Headquarters staff do not always understand issues in "the field."

Finally, one superintendent indicated he/she only recruited staff with 3 years of college and from the private sector, as individuals had better skills than those from the Government.

Administrative Officer Respondents

KEY FINDINGS

- There were no consistent training findings for administrative officers

A total of 11 administrative officers were interviewed. Of these, all but one were interviewed during the second phase of data collection. Two were in acting positions (one at an Area Office). Eight had the title of administrative officer; three had titles of administrative manager.

Only two respondents requested training for themselves. The two training topics requested were on how to use the Local-Area Network and training on policies related to the split between BIA and OST and respective roles and responsibilities, particularly as they related to Tribal Trust drawdowns.

Administrative officers had a few comments related to general training issues. One mentioned that systems upgrades were needed on a regular basis, and when they did occur, they should be accompanied by training. One administrative officer believed that OST Albuquerque staff headquarters staff required training on Tribes and Tribal issues. Related to this comment, another administrative officer commented that OST policies should take Tribal strategic plans and governance issues into account. The final training comment made by an administrative officer was that Tribes needed investment planning.

Social Services Respondents

KEY FINDINGS

- The most frequently mentioned training need for social service staff was computer training.

A total of 12 individuals (10 recorded interview files) were represented in the database. Of the social service representatives we interviewed, 50 percent were at the Agency level, 42 percent at the Area level, and 8 percent at the Tribal level.

Social service titles included supervisory social worker, social worker, social services representative, and director of social services (Tribal).

Few social service staff mentioned training they had received; on-the-job training was mentioned once, as was computer training given by BIA.

Social workers/social service representatives indicated they would like training on computers trust related functions, new regulations and procedures, OST roles and responsibilities, IIM, stress management, State social service programs, and grants/special programs. Computer training received two mentions (two respondents); all other topics only received one mention.

Social service staff made two general suggestions related to training. They were—to provide interactive training in a network environment and to train concurrently, not serially.

Tribal Operations Respondents

KEY FINDINGS

- Tribal operations staff most frequently received OMNI-TRUST training, typing, and computer training.
- Tribal operations staff felt that Tribes needed training in various topic areas.

A total of 12 staff performing a Tribal operations function at the agency level were retrieved. One of these individuals was located at a Tribe.

One third of the staff had the title of Tribal operations officer, while one sixth had the title of Tribal operations specialist and one sixth the title of self-determination specialist. Other titles in this category of staff included Tribal government services officer, Indian services officer, Tribal operations program director, and Tribal services clerk.

Training Received by Tribal Operations Staff

Tribal operations staff listed only three types of training they had received. The most frequently mentioned training was OMNI-TRUST (25 percent), followed by typing and computers. OMNI-TRUST training was provided by Albuquerque, typing was provided by high school, and computer training was given on the job and by the Agency. Other types of training that received one mention included customer service (on-the-job training), IRMS, investment training, oral communication (technical college), written communication (technical college), stress management (agency workshop), accounting (technical college), supervision (Agency), and Tribal Trust (various sources, but not specified).

Tribal Operations Staff Training Needs

There were only four mentions of any training needed by Tribal operations staff. The four items mentioned included trust management training, procedures, measures for accountability, and coordination among Tribes, agencies, and areas. These training topics were not specifically mentioned as a training need, but were implied during discussions.

Training Needed by Tribes

Tribal operations staff also made suggestions as to the type of training that would be beneficial for Tribes. The type of training they suggested included leadership training (should be widespread because of turnover of councils), investments, ethics, understanding Tribal constitutions, program management, BIA organizational structure, and the OMNI-TRUST system.

Computer Systems Respondents

KEY FINDINGS

- Computer systems staff received local-area network training the most frequently.
- Computer systems staff provide extensive support to computer users in their offices.
- Area directors and superintendents used outside computer consultants to assist them.

There were a total of 10 interviews included in the database. Most computer staff were located at the Area Office level; Tribes and agencies also had computer staff, but less frequently, and in one instance, the computer staff person at the Agency had another primary job responsibility.

Job titles included computer specialist (most frequently mentioned position title), computer assistant, acting IMC manager, computer systems analyst, systems manager, computer systems manager, and ADP coordinator.

Training Received and Provided by Computer Systems Staff

Four of the respondents received LAN training. Of these, three received intensive 36- to 40-hour training, (two indicated they had a CNE designation). Other types of training mentioned included software training (word processing, WordPerfect, Lotus), A17 training, computer science course work, and Area Office computer training. One respondent specifically mentioned he/she was self-taught and had not received any training. One respondent stated that there has not been any training because of budget restrictions. Two respondents indicated that BIA will pay for training courses.

Computer systems staff provide training to users within their offices. Three provided software training to users, two provided technical support to users, and one trained staff to perform computer repairs.

In terms of the extent to which computer staff support users, we obtained information that indicated between 20 percent to 100 percent of a computer system's staff time is spent on assisting users. Only one respondent indicated this time was "minimal—as needed." Based on these responses, computer support staff spend an average of 64 percent of their time supporting system users.

Training Needed by Computer Support Staff and Others

Only three respondents indicated they needed additional training to help them with their jobs. The three topics they suggested were how to install wiring, LAN training, and general training (topics not specified).

In terms of training needed by office staff, one respondent indicated that software training specific to Word, Access, and Excel was needed.

Other Training Issues Presented by Computer Systems Staff

Sources of training included local and community colleges, other training providers (private companies and the like), Novell (for LAN training), Area Office staff, and Headquarters (Albuquerque) staff. One individual interviewed indicated that at his/her office, a training room/classroom equipped with 14 workstations was available for training purposes.

Also examined were the types of consultants or outside staff that agencies used. Area directors and superintendents indicated they used consultants to perform computer maintenance, computer technician tasks (not specified), and to develop a database. These Agency directors did not have staff expertise in-house to perform these activities, or staff were stretched too thin.

Realty Staff Respondents

KEY FINDINGS

- Realty staff mentioned computer training as the type of training they received most frequently (second to on-the-job training). They also mentioned various types of realty training.
- Realty staff indicated they needed computer and related software training.
- Respondents felt that organizational relationships-such as the relationships between BIA and OST-as well as those with BLM and MMS should be enhanced.
- Staff may be performing functions for which they have no training or experience.
- Some Area Office Realty staff reported they provide training to Agency Realty staff.
- Superintendents and Area Office directors used realty staff as consultants, citing that staff were stretched too thin.

During the two phases of data collection, approximately 74 individuals were interviewed who had positions associated with performing realty processes, including probate, leasing, and rights of way.

The largest group of interviewees was realty specialists, representing 39 percent of all realty respondents. The next largest group of realty staff interviewed was realty officers, at both Area and Agency offices. All eight Area Offices included in the study sample were represented by a realty officer interview. Twenty-two interviews were with Agency realty officers. Other position titles included as part of the realty interviews were realty assistants and clerks, leasing specialists, and supervisory realty specialists.

Training Received by Realty Staff

The most frequently mentioned (16 percent) type and source of training for realty staff was on-the-job training. Training in various types of software, such as Lotus, dBASE, Windows 95, and WordPerfect, was mentioned the next most frequently across all respondents. Realty training, including acquisitions and disposal of land, rights of way, oil and gas, and leasing principles, was also mentioned by multiple respondents. Other types of training received by realty staff that were noted by more than one

respondent included Area Office meetings, supervision, leasing regulations, IRMS, probate, and personal computer operations. Additional training listed by respondents included leasing and rights-of-way courses, oil and gas seminars, customer service, commercial vendor training, Federal Financial System (FFS) training, trust management law, paralegal training, team building, stress management, IIM and operations, asset management, appraisals, title, and BLM certification.

Sources of training included BIA (most frequently mentioned), followed by the Area Office, Agency Office, community college and vocational technical schools, and the Colorado School of Mines (for minerals). Other sources of training included administrative law judges, private contractors and firms (Martin and Sable for computers, Falmouth Institute), associations, and headquarters staff.

Training Needed by Realty Staff

Respondents mentioned computer and related software training the most frequently when queried about the type of training they needed. Included in these responses were specific requests for training on Windows, Corel, WordPerfect, dBASE, and Lotus, as well as skills that would enable users to "fix" software problems, particularly for database applications that agencies have developed and are using to improve work efficiency. Other types of training that received more than one mention included training on oil and gas statutes and regulations, roles and responsibilities (particularly between OST and BIA), joint IIM and realty training, and legal (knowledge of laws) training. One respondent indicated that roles, relationships, and authority for OST, BIA, BLM, and MMS needed to be a topic of training. Other topics suggested by respondents included audit functions; processes for payment transfers; management training, including strategic planning and organizational evaluation; accounting skills; surface leasing; State laws affecting probates; locating missing people; real estate; stress management; use of a deed plotter; business leases; rules and regulations; use of the lockbox system; and leasing.

Training Issues Presented by Realty Staff

During discussions with realty respondents, several issues were raised that affect training plans. These included the lack of training emphasis by BIA, interorganizational and cross-organizational relationships, and constraints to receiving training.

Respondents indicated that training was not emphasized, citing few if any funds for training. They felt that training was needed whenever policies or the system changed. One respondent cited the importance of training during the implementation process, as training assists in the "buy-in" process. Several respondents referred to the need for the various players—Area Offices, Agencies, Tribes, BIA, OST, MMS, and BLM—to work together and to have a working knowledge of each entity's respective functions and responsibilities. Federal coordination was required. Some respondents indicated a lack of understanding from headquarters and Area Offices about the procedures performed by Agency staff. Following this, a few respondents indicated that because of staff responsibilities and assignments, attending training automatically creates a backlog. Further, they stated that staff had "no time" to attend training. One respondent indicated that cross-training staff to perform as backup was needed.

Respondents also indicated that because of reductions in force and other situations, staff were performing jobs for which they had no training or experience. Other concerns voiced by realty respondents included a decision to forgo implementing a new computerized system because of the training demands placed on staff (and no time for the training), hands-on training at the Agency was

preferable to traveling to training at a remote site, and opportunities to share ideas across Agencies/Areas was needed.

A few realty respondents at Area Offices reported they provided training to Agency staff. One Area Office reported bringing in outside experts to train Agency staff on a periodic basis.

Realty staff commented that the public (trust fund account holders) should be trained on realty, trust processes, and trust history. They also felt that Tribes should be trained to perform distributions and manage land assets.

Realty Staff Needs Suggested by Superintendents and Area Directors

When Agency superintendents and Area directors were queried about their use of outside resources to perform trust-related activities, a few indicated that, when they used outside consultants, they were for realty functions. Oil and gas assignment work, appraisals, and probate were performed at some Agencies/Areas on a contract basis. Supporting this, multiple realty respondents indicated that staff were stretched too thin and additional staff were needed.

C. Office of the Special Trustee (OST) Staff Training

Accounting Technician/Trust Accountant Respondents

KEY FINDINGS

- A third of trust accountants/accounting technicians had received some type of computer training. This also included training on a Federal system, such as OMNI-TRUST or FFS.
- Many received trust training. Accounting training and investment training were also mentioned by several staff.
- Computer training was the most frequently requested type of training needed. Accounting training, training to delineate roles and responsibilities (such as between OST, MMS, and other organizations), and communication skills were also mentioned often as a training need.
- Staff also would like training in investments, stress management, trust operations, systems software, and budgeting.
- Trust accountants/accounting technicians indicated that better communication within Agencies and across offices was needed.
- Staff felt overworked and did not have backup.

During the course of the field discussions, we interviewed all but one Area trust accountant in our sample of eight Area Offices, 46 accounting technicians, as well as other staff (such as clerks, accountants, and tellers). A total of 57 individuals provided information to study team members.

The analysis provided in this section does not include any OST Albuquerque staff; their training comments are reflected elsewhere.

Training Received by Trust Accountants/Accounting Technicians

OST trust accounting employees most frequently mentioned that they received six types of training. These included computer-training courses, Federal systems training, on-the-job training, trust training, accounting, and investment training. A third of all respondents had received some type of general computer training. The most frequently mentioned types of computer training included general computer training, MS DOS, and WordPerfect training. One fourth of all trust accounting respondents received training on a Federal system, such as OMNI-TRUST, FFS, A17 or the Lotus interest template, with OMNI-TRUST being the type of training mentioned most frequently. Nineteen percent of all respondents received on-the-job training, while 18 percent received some type of trust training, primarily the courses taught by BIA and OST. Accounting courses obtained through local colleges were cited the next most frequently, followed by investment training. Other types of training received by more than one respondent included supervision, EEO, financial, oral communication skills, written communication skills, and customer service. Additional training mentioned by one respondent each included working with difficult people, typing, ethics in government, probate and wills, time management, legal skills, labor management relations, and budgets.

Local colleges, including vocational technical schools, were cited as the source for most outside training. Internal training was primarily provided by BIA/OST staff, either at headquarters or area offices. Only one respondent mentioned the Cannon Finance Institute as a source of trust training. Two respondents mentioned the Office of Personnel Management (OPM) as a training source.

Training Needed by Accounting Technicians/Trust Accountants

Respondents listed a wide variety of training needs. Four broad topics received the most mention—computer training, accounting training, training to delineate roles and responsibilities, and communication skills. Fully one third of all trust accounting respondents mentioned the need for computer training, including training on Lotus, word processing, spreadsheets, Windows, QuatroPro, dBASE, and learning simple programming commands so that reports could be generated at the Agency and not requested of other OST staff. Approximately 23 percent of trust accounting staff mentioned the need for accounting training. They also requested that training be provided to describe the roles and responsibilities of staff and agencies (19 percent). Topics related to roles and responsibilities include interfacing with MMS, the structure of OTFM and its relationship to the OST, an overview of the OST, an overview of the entire system, and job expectations and performance standards. Seventeen percent of respondents indicated they needed communication skills. By this they meant oral communication skills (speech and oral presentations), written communication skills (letter writing, business writing, and selling an idea), and assertiveness training.

Other topics that received multiple mentions (in order of ascendency) included investments, stress management, trust operations, OMNI-TRUST/IRMS training, and budgeting. Other less frequently mentioned training topics included customer service skills (including dealing with difficult people), interpreting financial reports, interest computation, supervision, lease management process, probate, and personnel issues.

A few staff indicated they were "scheduled" for training in the immediate future, or that planned training had been postponed.

Training Issues Raised by Trust Accountants/Accounting Technicians

One theme that appeared frequently in conversations with trust accounting staff was the need for better communication, within Agencies and across offices at all levels—Area Offices, Headquarters, Agencies, and Tribes. A more open policy was stressed, and tools such as conference calls and meetings were suggested. In addition, a few staff had the perception that others at the next level up, were able to receive more training. One respondent stated that "we need to have more instruction, supervision, and support from OTFM."

Staff also mentioned they were overworked, there were no staff available to back them up in the event of an absence, and that there were no funds available for training.

More than one respondent suggested that a list of available training be provided to OST staff. Another respondent suggested that training in systems and processes needed to occur at all levels.

Trust accounting respondents also suggested that ongoing training, in the areas of finance and investments, be provided to Tribes. Turnover at the Tribal level requires a continuous training process.

Other Staff Training Needs

KEY FINDINGS

- Respondents had received OMNI-TRUST training and trust training.
- Staff cited computer training as their greatest training need.
- OST Albuquerque and collections staff indicated they also needed typing, oral communication, customer service, and financial skills.

Also examined were the training needs of other OST staff and staff who worked closely with OST trust accounting staff but who were BIA staff. Primarily, these staff perform collections functions worked at a headquarters level.

Training Received

On-the-job training was mentioned most frequently by respondents. The two other types of training mentioned frequently were OMNI-TRUST training and Cannon trust training. One individual indicated he/she was planning to take the Cannon trust training in the near future. Other training received by interviewees included OPM supervisory training, trust operations (general and Tribal), training performed by private entities, auditing, collections process, accounting (at a local college), IRMS training, and stress management.

Training Needed

The training mentioned most frequently by respondents was computer training. The next most frequently listed skills needed were typing, oral communication, customer service, and financial skills. Other training topics specified as needed included written communication, accounting, stress management, supervisory, trust systems, training on any new regulations, and the collections process.

6.7 Recommendations

As a result of training research, data collection, analysis and findings, the following features and consideration for the Trust training effort are recommended:

PRIMARY TRAINING DIRECTIVE:

The training effort must provide trust system personnel with the necessary skills to support the fulfillment of the Secretary's Trust fiduciary role. Failure to provide the necessary training, as well as failure to monitor trust personnel performance, will directly result in the Secretary's inability to fulfill his fiduciary responsibilities.

Also:

- The government requires the establishment of an entire Trust training mechanism in order to respond to the finding that there is no formal training mechanism to the Indian Trust Fund community.
- The new training audience must include all users and beneficiaries of the Indian Trust Fund community: trust operations; trust reporting; trust investment; trust assets management; Tribal government leaders; Tribal trust employees; and Tribal members.
- The training must include an emphasis on skills development in customer service, accuracy in accounting, sound financial and investments decisions and activities, accurate and timely reporting, and protection, use, and management of the Trust's assets.
- The training mechanism must reflect the federal government's and the Tribes' legislative, regulatory, judicial, and other requirements for management of the Trust.
- The training must be developed and delivered as quickly as possible.
- Trust personnel must perform in accordance with official policies and procedures which must be made available to them.
- Trust personnel must perform in accordance with stated, measurable, demonstratable performance objectives. Personnel which fail to meet these performance objectives must be provided remedial training and, if they continually fail to meet performance objectives, must be replaced by qualified personnel.
- The development of job descriptions (also known as personnel descriptions) to state the educational requirements, prerequisite knowledge and skills, and performance tasks necessary for each labor category is recommended.
- Government assessments of trust personnel in meeting performance objectives should be conducted.
- There is existing, relevant trust-related courseware, provided primarily by commercial vendors, which should be used to meet training gaps, where appropriate.

- New courseware must be developed to meet other training gaps, including the need for knowledge about the Indian Trust Fund, trust account holders and their needs, interfaces between current Indian Trust Fund databases and new service bureau systems, policies and procedures, and tasks specific to catch of the trust labor categories.

- Steps should be taken to resolve the confusion and fear expressed by interviewed trust workers and Tribal representatives. Specifically, the publication of a "news report" on this needs analysis project is recommended. Continuing organizational-change reports and dissemination of other information which would be appreciated by the trust community is also recommended.

- Several crucial training needs were identified which need timely response. The following training efforts should be developed within the first year:
    - investments training for Tribal leaders and trust personnel
    - IIM Accounting Technician tasks (to support those IIM technicians placed in the field in the past year)
    - customer service skills training for the majority of trust workers
    - account holder profile training for the majority of trust workers and Tribes

- The development of various training delivery systems, each of which are suitable to a particular training audience, environment, location, and timeliness of need is recommended. Training coordinators should select the appropriate media as the need arises and costs permit.

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Based on these recommendations, a training approach has been developed which includes these recommendations and factors, and which also includes a schedule and costs. That approach is in provided in Appendix 9.

Trust Management System

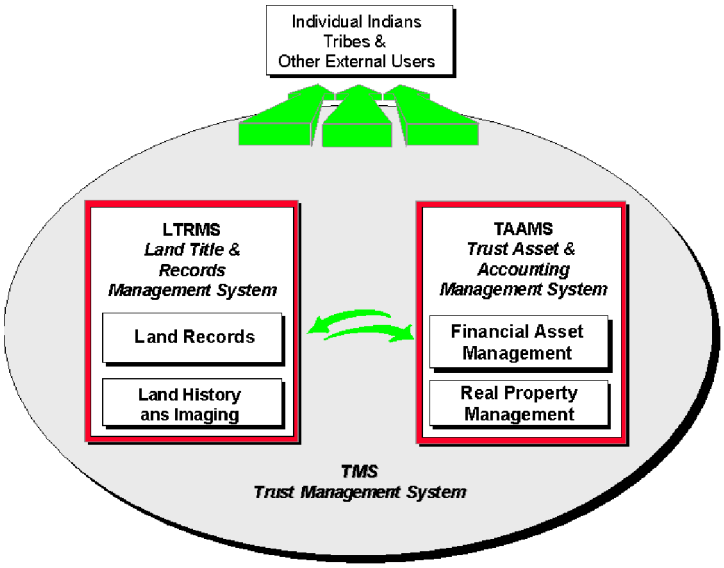
7.0 Introduction

This chapter recommends a new Trust Management System (see Figure 7.1) for trust asset management and land title and records management (collectively, trust management activities). This Trust Management System (TMS) is the heart of the new information infrastructure for the American Indian Trust and Development Administration (AITDA). The TMS is required to carry out the trust fiduciary responsibilities of the U.S. Government to American Indians and American Indian Tribes. The TMS consists of two systems with standard, commercially adapted computerized applications.

The two automated systems are:

- Trust Asset and Accounting Management System (TAAMS)
  - Financial Asset Management
  - Real Property Management

- Land Title and Records Management System (LTRMS)
  - Land Records
  - Land History and Imaging



Two other key aspects of the new Trust Management System described in this chapter are the Risk Management and Control System and the staff required to administrate the TMS.

The needs and requirements and key features of each system are provided in this chapter.

Needs and Requirements --- Trust Management System

A Trust Management System is needed to fulfill the Trustee's fiduciary responsibilities and to allow the roughly 300 American Indian Tribes participating in the Indian Trust to manage their Tribal funds and to give each Tribal government greater control.

The TMS consists of application programs (computer based) required to:

1. Have electronic linkages with each other without the user having to reenter data
2. Be readily accessible to all approved users
3. Be capable of importing to, or exporting from, standard applications such as Excel spreadsheet software

4. Enable users to print reports on standard laser jet or ink jet printers that are connected to their workstations/LANs
5. Be capable of holding inputs in memory until the user has the opportunity to complete all inputs (as opposed to the user losing inputs entered in the event the user and/or the terminal is interrupted)
6. Be compatible with Windows software used on individual workstations
7. Be available when needed (no scheduled down times during prime work time or batch update time)
8. Be reliable
9. Incorporate an automatic and frequent "save" feature as inputs are being entered
10. Provide an automatic backup (at least daily) of key files at an off-site facility (for disaster recovery purposes)
11. Be supported with a 12 hour-per day (24 hours-per-day during peak workload times) Help Desk to assist users (cover prime work time and batch update time)
12. Be Year 2000 qualified
13. Enable the user to archive specified files
14. Be structured to accommodate transition to proven formats as technology changes, allowing the product to remain flexible and not become stagnant or archaic.

Additionally, an administrative staff is required to conduct Trust Management System operations and a Risk Management and Control System is needed to provide adequate audits, conduct compliance reviews, and make independent asset appraisals.

Features --- Trust Management System

- Treats trust holdings in accordance with governing documents
- Provides for prudent management of holdings
- Includes safeguards against conflicts of interest, abuse, or self dealing
- Segregates assets
- Provides recordation of transactions including income, principal, and taxes
- Provides on-line accessibility through LAN/WAN networks
- Preserves documents relating to financial transactions and property management
- Allows periodic reporting to provide asset listings and transactions.

7.1. Trust Asset and Accounting Management System

A Trust Asset and Accounting Management System (TAAMS) is needed to provide:

1. Management and accounting services for all Indian trust assets and to all account holders
2. Management and administration of over 100,000 active or pending surface and mineral rentals and/or leases each year
3. Financial services to individual Indians and Tribes.

The TAAMS consists of 1) an automated trust accounting system and 2) an automated real property management system made up of one or more surface and mineral property management modules.

7.1.1 Trust Accounting System

Potential application programs can be purchased for in-house use or trust accounting can be provided by a service bureau. Available vendors include: M&I, SEI and SunGard. All three have electronic interface capability with, a property management and operations accounting applications (e.g., Petro Data). Federated (*Trust Connect*) and Fidelity have application systems which automate all aspects of buying and selling securities. Both have an electronic interface with M&I. Riggs Bank uses *First Data* which has an automated brokerage system for mutual funds.

Needs and Requirements --- Trust Accounting

An automated trust accounting system is needed to provide financial services to individual Indians and Tribes and to provide:

1. Periodic statements and transaction reports - annual balance of all trust assets and quarterly reports
2. Daily balances
3. On-line access to account balances by the individual Indian and Tribes
4. Standardized trust accounting
5. Integrated interface with LTRMS and other applications within TAAMS.

The trust accounting application program must have the capability to:

1. Collect and deposit trust income
2. Account for trust income and funds
3. Price equities daily
4. Invest trust income and funds
5. Disburse trust income and funds to Tribal and individual Indian account holders
6. Provide both on-line reports and hard copy reports - at a minimum account statements and transaction reports.

The trust accounting application program must be able to handle:

1. Individual Indian accounts - over 350,000
2. Tribal accounts - over 1500
3. Transactions - over 5,000,000 per year
4. Hard copy disbursements - at least 330,000
5. Fractionated interests - up to 35 decimal points.

Features --- Trust Accounting

- Outsourcing the trust accounting data processing to a service bureau
- Electronic linkage with LTRMS and other applications within TAAMS
- Daily sweeps with daily valuation (mutual fund type system)
- Capability to do automated clearing house/electronic funds transfer (ACH/EFT)
- Capability for user to call into an automated system to check on balance
- Capability to use automatic teller machines (ATMs) for withdrawal and check on balance (NOTE: The ATM feature must be transacted through a bank. A checking account is set up. The draft is against the checking account as an overdraft. M&I has the capability to fund the checking account from the trust fund electronically on an overnight reconciliation)

- Capability to amortize/accrete in compliance with Financial Accounting Standard Board 91 (FASB91)
- Relational or object oriented database
- Performance measurement for full spectrum of trust fund activities
- Capability to customize report formats
- Windows open-system architecture
- On-line help
- Point and click controls
- Automated validity checks
- Pull-down menus
- Compatible with trust organization communication wide area network (WAN)
- Access by PC through password control.

7.1.2 Real Property Management System

Prudent real property (resources and assets) management requires two essential capabilities: 1) pre-lease information management and 2) lease operations management.

Pre-Lease Information Management

One of the keys to preparing and executing a valid lease is to have knowledge of what has gone on before in terms of fair and equitable bonus, terms of lease, royalty, and/or rental payments from like or similar properties in the same locality or area.

For American Indian properties, a new database of past lease activities is required. Some information such as on oil and gas leases is available from services such as Dewights Energy Data which has activity and production data automated and available on-line by location.

Other surface and mineral lease/rent information will have to be collected, recorded, and maintained in a dedicated database managed by the trust organization utilizing lease management software in a service bureau environment.

Needs and Requirements --- Pre-Lease Information Management System

An automated database is needed to enable access to information required to establish, maintain and execute title documents and to provide and/or maintain:

1. Capability to draft and execute new title documents
2. On-line information capability within the trust organization and with other designated organizations responsible for managing extensive holdings of surface and mineral rights
3. A front-end application (computer program) to the Land Title and Records Management System
4. Inventory of surface and mineral rights ownership
5. History of parcel acquisition and dispositions pending and resulting from treaties, judgments, laws, grants, purchases, patents and exchanges
6. Mineral lease information to include parcels up for bid, notices of lease auction and lease contracts
7. Current data and status of oil and gas wells permitted and/or drilled on Indian lands
8. Royalty and net mineral interest information on all producing properties in which the trustee

manages a royalty interest
9. Surface lease information to include land uses, lease interest, productivity and rental rates
10. Information on improvements of each lease and each leased property
11. Information on rights-of-way and other types of easements over or across Indian lands that place an encumbrance on the propertyRecords of all revenues received from rentals, bonus payments, royalties, fees, penalties and interest.

Features --- Pre-Lease Information Management System

- Electronic linkage with LTRMS, MMS, BLM and other applications within the TAAMS, such as, surface and mineral management subsystems (e.g., Petro Data, M&I) and the trust fund accounting system (e.g., M&I, SEI, SunGard)
- Windows open-system architecture
- Imaging and Geographic Information System (GIS) applications
- Relational or object oriented database
- On-line help
- Point and click controls
- Automated validity checks
- Pull-down menus
- Compatible with trust organization communication network
- Access by PC through password control.

Lease Operations Management

The property management and operations accounting functions of lease operations management can be provided by: 1) commercially available application programs purchased for in-house use; 2) service bureau; or 3) outsourcing to a property management vendor. Potential vendors for such services include:

- M&I (improved land --- commercial, residential, retail and recreational real estate)
- National Computer Systems (improved land --- commercial and residential real estate)
- Petro Data (full range for surface and mineral leases including improved and unimproved land) --- subsidiaries: Blue Star (software) and PDS Services (service bureau).

Petro Data has built-in interfaces with M&I, SEI, and SunGard trust accounting software packages. M&I has an electronic interface with SEI. SEI also has an optional *Strata System* (Windows-based) module for real estate property management and operations accounting.

Needs and Requirements --- Lease Operations Management

An automated consolidated master lease system is needed to provide an accounts receivable, billing and collection data system that uses lease-contract and ownership information from the pre-lease database for trust income verification, reconciliation, billing, payments, collection, accounting, disbursement, audit asset quality review and compliance purposes. Surface and mineral management system/systems are needed to provide a front-end application to the trust fund accounting application and to:

1. Perform billing and collection of rental and lease payments, bonuses, royalties and associated incomes

2. Provide a tickler system in an accounts receivable and billing system that uses lease-contract and lease land ownership information
3. Allocate net trust income according to ownership in tract or resource
4. Transfer electronically over-night income reports by ownership allocation to the trust fund accounting application
5. Reconcile trust income paid versus amount owed.

A surface and mineral management subsystem must be able to handle the appropriate number of annual leases (based on over 100,000 leases per year on approximately 172,000 tracts recorded) pertaining to the subsystem:

- Oil and gas
- Other minerals and timber
- Improved property
- Unimproved property (e.g., agricultural, grazing).

NOTE: The options for execution of the surface and mineral management subsystem(s) include:

1. The trust organization provides total property management of the lands and minerals using vendor supported software applications
2. The organization provides the property management of lands and minerals and outsources the accounting system function to a service bureau
3. Outsourcing the total property management system of Indian lands and minerals to a vendor
4. Any combination of the above for specific surface or mineral resources by American Indian lands, region, field, or Tribe.

Features --- Lease Operations Management

- Electronic linkage with MMS, BLM and with other applications within TAAMS
- Windows open-system architecture
- On-line help
- Point and click controls
- Pull-down menus
- Operable in a PC/server environment with password control
- Compatible with trust organization wide area network (WAN).

7.2 Land Title and Records Management System

A Land Title and Records Management System (LTRMS) is needed to provide management, administration, and recordation for over 170,000 tracts (53 million acres) of land and all title documents affecting these tracts. The automated system stores and manages ownership data for each American Indian property, and references that data to the property's location.

The Land Title and Records Management System consists of two systems: 1) Land Records System (LRS) and 2) Land Records History and Imaging System (LRHIS).

7.2.1 Land Records System

Commercial Land Records Systems (LRS) exist in court houses across America. These are custom database applications designed in compliance with state laws. IBM has developed several of these systems and also has custom systems installed in various locations and countries, among them, Russia and Canada. EDS is working with one of the IBM clients, a Canadian company, Teranet Land Information Services. Teranet, EDS and IBM have developed a system to provide for electronic registration of land for the government of Ontario, Canada. This system is due to come on-line in mid-1997.

The LRS system must electronically interface with the LRHIS and TAAMS.

Needs and Requirements --- Land Records

An automated Land Records System is needed to enhance the American Indian land registration system and to:

1. Provide title document management
2. Provide land title status mapping
3. Perform land or lease recordation transactions on-line
4. Receive and process final title document transactions for determination and certification
5. Verify all information submitted and confirm or reject the transaction
6. Take custody, record, and maintain title documents
7. Assign and maintain unique land index number cross-referenced to ownership identifiers and tax numbers (where applicable)
8. Distribute land, ownership and title document data
9. Provide current ownership for a given tract of land, description of the tract, owner information, and any encumbrances
10. Provide process control to include alert messages, backups (disaster control), passwords, and usage statistics.

The Land Records System must ensure the integrity of the land registration record.

Features --- Land Records System

- Electronic linkage with LRHIS and TAAMS via WAN
- Windows open-system architecture
- Imaging and Geographic Information System (GIS) applications
- On-line help
- Point and click controls
- Automated validity checks
- Pull-down menus
- Compatible with trust organization WAN
- Access by PC through password control
- Potential service bureau environment.

7.2.2 Land Records History and Imaging System

On-line land title historical information is required for access and for reporting chain of title for each tract of land in the Indian Trust. Imaging capability which adheres to legal archiving standards and

requirements and which link to the Land Records System is also a part of the LTRMS specification. Equipment, software and specialty organizations in the commercial sector can provide several options to satisfy the requirements of LTRMS activities.

Needs and Requirements --- Lands Record History and Imaging System

An automated Land Records History and Imaging System (LRHIS) is needed to provide:

1. Chain-of-title and determination process
2. Digital title files
3. Property mapping and document imaging
4. Historic records of all documents which affect a tract of land since its original allotment (chain-of-title), including transaction details and the location and legal description of the tract(s) involved.

NOTES:

1. The pre-lease information management segment of 7.1.2 could be included as part of the Land Records History and Imaging System. This provides the front end to the LTRMS and also information for lease activities and lease and tract information for trust fund accounting. The records that are normally in the Land Records History and Imaging System should not be maintained in duplicate databases. Information should be cross-referenced and obtained electronically, or combined into one database.
2. Imaging accomplished for archiving and recordation should be sufficient to serve the purposes of the Land Records History and Imaging System thus eliminating duplication (except where appropriate for disaster control), also reducing the need for imaging equipment.

Features --- Lands Record History and Imaging System

- Electronic linkage with LRS and TAAMS via WAN
- Windows open-system architecture
- Imaging and Geographic Information System (GIS) applications
- On-line help
- Point and click controls
- Automated validity checks
- Pull-down menus
- Compatible with trust organization WAN
- Access by PC through password control
- Potential service bureau environment.

7.3 Risk Management and Control System

Essential to an effective Trust Management System is a quality Risk Management and Control System. 12 CFR 9.9 requires that a committee of directors of a national bank audit fiduciary activities or cause suitable audits to be made by auditors responsible only to the board of directors. This requirement is also proposed for the American Indian Trust Development Administration.

The functions required to be accomplished by the Risk Management and Control System include: 1)

providing adequate operational audits and credit and asset quality audits; 2) conducting compliance reviews; 3) making independent asset appraisals; 4) liaison with outside, independent auditors for an external audit; and 5) conducting internal audits. The internal audits will determine compliance with the policies and procedures used for the administration of accounts, and the processing and recording of transactions. The audits will appraise the soundness and adequacy of accounting, operating, and administrative controls. The audits will also review, where appropriate, the formulation and revision of policies and procedures.

Needs and Requirements--- Risk Management and Control System

A Risk Management and Control System is needed to identify the effectiveness of the Trust Management System and specifically to:

1. Monitor operational risk
2. Monitor and measure credit risk in leases, loans, and other credit exposure
3. Identify and monitor emerging credit risk areas
4. Review the effectiveness and prudence of the credit process
5. Evaluate the adequacy of trust management activities
6. Monitor and report risk associated with the trust organization's compliance with laws and regulations
7. Identify and monitor market risk as it affects asset value
8. Maintain open lines of communication with primary regulators
9. Monitor private sector trust best practices
10. Monitor compliance with administrative actions.

Features --- Risk Management and Control System

The Risk Management and Control System will provide the trust organization’s management an independent assessment of the organization’s accounting, reporting, and internal control practices, and specifically will:

- Evaluate the organization’s system of internal control to determine that controls are appropriately designed, functioning as planned, and updated as necessary to meet changes in operating conditions
- Provide management with reasonable assurance that control problems have been identified and corrected
- Assist management in the effective administration of the organization
- Evaluate and correct any weakness in the system of controls stemming from fraudulent activities
- Monitor compliance with regulatory requirements
- Provide an effective and independent asset review function to analyze the level of credit risk in assets and other exposure, accurately rate risk and report asset quality, evaluate the effectiveness and prudence of the credit/lease process, and provide a well supported opinion of the adequacy of trust resource management
- Ensure that trust beneficiaries are protected and served in a responsible and sound manner in accordance with the trust organization's fiduciary responsibilities and safe and sound trust banking practices
- Absorb the current responsibilities of the Office of American Indian Trust (OAIT) to ensure that the Federal Government's obligation under the Federal Indian Trust responsibilities are performed in accordance with the standards required by US laws and policies

- Conduct annual reviews of Tribal performance of trust fund functions assumed under the Self-Governance Act of 1994 25 USC 458cc(d) and prepare and monitor Federal trust protection standards and guidelines
- Review significant decisions affecting Indian trust resources, including treaty rights, and provide policy review and other technical services to other trust management units, including training, liaison, and information services to assist in matters relating to the Indian trust management responsibilities
- Provide the trust organization with an independent, unbiased assessment of real property values and market trends as they affect trust management decisions in lease origination, portfolio management, and monitoring
- Ensure high quality appraisal services from qualified external contractors and ensure appraisal services are performed on a timely basis and at a competitive price
- Monitor market trends and inform management as to the possible impact of these trends on portfolio management practices and establish internal appraisal policies and procedures and valuation techniques to be used by account officers in their asset management role
- Monitor compliance with private sector requirements affecting the appraisal process

Additional features of the Risk Management and Control System include:

- Full support of trust organization's management
- Compliance with audit fiduciary activities and other bank trust audits as called for in CFR 9.9 (for national banks) and private sector requirements affecting appraisals, regulatory requirements, and Indian trust responsibilities
- Audit personnel independent of the functions they evaluate
- Competent and qualified audit personnel
- Competent and qualified appraisal personnel
- Auditor authority to have access to all records deemed necessary for the proper conduct of the audit assigned
- Documented records of the work performed
- Audit procedures and frequency based on the degree of risk
- Utilization of external independent appraisers, where possible
- An effective in-house appraisal capability.

7.4 Administrative Staff

A proposed organizational structure to implement and manage the Trust Management System activities, based on prudent commercial best practices and adapted to the American Indian trust responsibilities is provided in Appendix 9C. This proposed structure is consistent with the planned AITDA organizational structure. Related job descriptions are in Appendix 9D.

Other administrative considerations are discussed in Chapter 8 --- Technology Services Center.

Trust Management System Support

8.0 Introduction

In addition to the Trust Management System (TMS) recommended in Chapter 7, the new information infrastructure of Part II requires a support infrastructure to enable the TMS to accomplish its trust management activities. The support infrastructure consists of:

1) Technology Service Center
2) General Ledger System
3) Communications Network
4) National Indian Fiduciary Records Center
5) Document Imaging
6) End User Workstations

The needs and requirements and key features of these support infrastructure elements are provided in this chapter.

8.1 Technology Services Center

The Technology Service Center is used in the broadest sense as the center of expertise for the totality of trust fund management; i.e., it includes expertise in strategy, research, tactics and operations from the points of view of long term trust fund goals to systems integration infrastructure. In summary, this center is the management hub for the trust management activities related to the new Trust Management System recommended in Chapter 7 (see Figure 7.1).

Needs and Requirements—Technology Services Center

A Technology Services Center is needed to provide administration and management of trust resources, trust funds, and land ownership and records processes. The functions required to be accomplished by this center include:

- Trust real property management
- Trust financial assets management
- Land title and records management
- Trust archiving and records management.

The Technology Services Center will be responsible for:

1. Implementing the trust operation functions
2. Managing the automated Trust Management Systems
3. Managing the electronic interfaces between and among TMS elements
4. Managing service bureaus
5. On-line Help Desk operations
6. Application software development activities

7. Application interface software development activities
8. User and user support training
9. Maintenance and installation of computer equipment at user sites
10. Maintenance of the WAN.

Features—Technology Service Center

- Centrally located
- Investment management
- Account management
- Portfolio management
- Trust asset and accounting management operations
- Compliance management
- Investment research
- On-line Help Desk
- Network support specialists
- Application software specialists
- Technical support staff
- Training specialists

8.2 General Ledger System

The General Ledger System is intended to provide the necessary financial accounting and control of the American Indian Trust Development Administration (AITDA) operations funded by appropriated monies.

Needs and Requirements—General Ledger System

A General Ledger System is needed to provide a consolidated accounting picture of the operations of the AITDA. This system provides an accounting of appropriated funds utilized for administration and management of the independent trust organization.

This automated system must electronically interface with the Trust Asset and Accounting Management System (TAAMS) in order to be able to capture electronically any fee incomes allocated to AITDA.

Features—General Ledger System

- Electronic linkage with TAAMS via the wide area network (WAN)
- Relational or object oriented database management system
- Efficient sharing of data, reduction of redundancy, and flexibility for ad hoc reporting
- Multiple levels of security to protect information
- Capability to restrict access to an application or to transaction or field values
- User control over editing and error handling functions
- User defined auditing capabilities
- An integrated set of query and reporting tools
- Capability to post prior period or retroactive journals
- Centralized on-line access to summarized and detailed accounting information

- Flexibility to create accounts and sub-accounts
- Windows open-system architecture
- On-line help
- Point and click controls
- Pull-down menus compatible with trust organization WAN
- Access by PC through password control.

8.3 Communications Networks

OST presently has no formal, nor complete, network or communications backbone of its own. Current network functions are performed on segments of the DOINet and BIANet networks, which have circuits to some locations where OST has dumb terminals, and other circuits having direct access to PC workstations. Some Tribal sites have no network communications at all. The DOINet has no redundancy at any of its nodes, although it does have alternate routing capabilities. Data transmitted over the DOINet are unsecured since firewalls are lacking and workstations do not have encryption cards.

Needs and Requirements—Communications Network

A new AITDA network is needed to provide the required communications for the new information infrastructure. Figure 8.1 illustrates the basic communication flows required and the types of data or services provided by various nodes.

there is a need for:

1) Leased direct dial-up network to accomplish the daily workflow required (see Figure 8.2).

2) Encryption hardware at each remote location and the OST-Albuquerque facility to allow the utilization of public communications facilities.

3) Firewall software at each remote location and the OST-Albuquerque facility to allow the utilization of public communications facilities.

4) Vendors responsible for maintenance and upgrade, reducing OST personnel support and operational costs.

5) Capability to "switch" a call to the proper location (data base or file storage center) to submit or retrieve the information as required by procedures and specifications.

Features—Communications Network

- With all the data entry and inquiries in a switch mode and with all the switching being done at OST-Albuquerque, an inquiry sent from a field location can be received, logged and transferred to the designated data source

- Creates an audit trail and performance reporting tool for management, since the logs will show the volume of requests for each information source and the volume of requests by field location.

The transaction logs will show the data entry done from each field site (number of transactions by type, frequency, exceptions, and corrections)

- Enables operating costs to be more controllable and predictable as historic data is accumulated for forecasting
- Establishes a data (digital) communications link among all of the Tribes, field offices, and regional offices and OST-Albuquerque (presently, some Tribal sites have tremendous difficulties communicating with other entities because of their remote locations)
- Permits use of microwave technology in coordination with the new network
- Utilizes proven standard network technologies including frame-relay technology
- Permits a migration to an ATM (asynchronous transmission mode) capability when it is made available to the entire network.

Note: Funding was not included in the budget for the microwave technology. It is recommended that it be considered, however.

One of the major advantages of the direct dial-up type communications is the ability to "extract data" from related data bases and enter the extracted date into a master data base that would reside at OST-Albuquerque. This means that the OST data base can be updated by the system automatically (or programmatically) by calling up data bases from the field and retrieving their daily transaction files. By doing this, OST-Albuquerque would be helping offices in the field with file backup for disaster recovery purposes.

The proposed network will allow the network to be a logical (virtual) network that offers all the current proven technology, such as video teleconferencing, without being bound to physical, hard-wired defined situation. Once the network has been established, workstations and servers can be moved to new locations without any major change in the control software.

A simple low cost digital camera can be installed at the workstation level; with dial-up capability provided by the network, a circuit can be established, i.e., logically linked, to another workstation which has an installed camera. The two parties can then hold a conference, as if they were in the same room. This approach allows headquarters staff to have teleconferencing discussions with employees in the field to resolve situations which might otherwise have necessitated a trip to the remote location. This capability should reduce the need to travel, while at the same time boost productivity.

The statistical information captured will assist in the evaluation of the actual on-going needs requirements from a verifiable statistical source. Using this information, the actual network can be managed, adjusted and maintained with confidence.

8.4 National Archives and Records Center

There are potentially two alternatives to fulfill the requirements for archiving American Indian records. The first is a center that would have the capacity to accomplish both deep storage (long term) and quick retrieval of records. This archiving center, proposed by OST as the National Indian Fiduciary

Records Center, would be located in Albuquerque, and consist of a hard copy archive and an electronic archive. The electronic archive would consist of a Master Electronic Archive (MEA), situated in the NIFRC, and a Backup Electronic Archive (BEA), located well away from the MEA for disaster recovery purposes.

The second alternative would consist of two separate archiving activities. One handling the long term storage would utilize capacities of one of the National Archives and Record Administration (NARA) existing Records Center. Convenient Centers exist at Denver and Fort Worth, as well as other regional areas. In conjunction with this Center, a separate quick-retrieval record center would be maintained by AITDA at Albuquerque.

For the purposes of this report, the attributes, needs and requirements, and features of the National Indian Fiduciary Records Center (NIFRC) are provided below (See Figure 8.3). In the event that the second alternative proves to be more realizable, these attributes, needs and requirements, and features can be allocated to the respective long storage and quick retrieval Centers.

One of the underlying assumptions of the NIFRC is that imaged (digitized) documents are acceptable in a court of law. NARA officials claim that the courts vary in their views on this issue. If NARA is correct, some or all of the hard copy documents may have to be microfilmed to preserve the contents of fragile hard copy documents.

Attributes of the NIFRC

Users would consist of all government employees involved in the trust fund management function, situated in headquarters, regional offices, and field offices, and to the Tribes.

Records to be archived may be in the form of paper, film, disk, or other physical type or form; and the method of recording may be manual, mechanical, photographic, electronic, or any other combination of these or other technologies.

Records would be housed in a large facility and equipped with modern archiving equipment, such as bar code labeling equipment for labeling boxes, and the folders that are contained within, that would permit quick retrieval and cross-referencing to documents in electronic format.

The MEA would store all documents required by the user in performing trust management-related functions. These documents would include not only the usual documents that one associates with trusts, such as leases, etc., but reference documents, such as 25 CFR and other items to make the users work more efficient. The MEA would be programmed to determine which users would be approved to access each document. In addition, the MEA would routinely back up users' computer files for sake of disaster recovery.

The BEA would mirror the capabilities of the MEA. If the MEA had momentary problems, such as fluctuations in power, the BEA would automatically take over, with the change being transparent to the user. In the event of a disaster involving the MEA, the BEA would continue operations, again transparent to the user.

The NIFRC staff would provide expertise to assist field personnel with their data imaging and other technologies, and would provide spare equipment whenever breakdowns occurred in the field.

For the estimated 500 million pages of inactive files, these pages would be shipped to the NIFRC, where the pages would be assessed by the NIFRC staff to determine whether each document needs to be retained (stored) and how, i.e.,only in the hard copy archive or both the hard copy and electronic archives. If the latter, then the document would be imaged by the NIFRC staff on a priority basis.

For steady-state operations, the proposed plan is for government employees to conduct imaging as documents are created. A designated government employee at the site would be the person responsible for the steady-state operations, and would encourage other employees to transmit documents created on their computers to the NIFRC to the maximum extent possible, to avoid having to image the documents after the fact.

Needs and Requirements—National Indians Fiduciary Records Center

A National Indians Fiduciary Records Center is needed to:

1. Permanently, electronically archive trust resource, asset, and funds records that the trust organization needs to protect, control, and access, and store the hard copies of those records.

2. Provide storage and retrieval of trust resource, asset, and funds records along with appropriate disaster recovery protection

3. Provide the trust organization and other government agencies with remote access to documents traditionally generated and maintained at BIA Agency and/or Area offices.

The NIFRC must manage documentation that qualifies as Federal record under NARA records management regulations and specifically 36 CFR Part 1228.188 for transfer of machine readable records.

The functions required to be accomplished by this Center include:

- Capture and storage of American Indian land title documents

- Capture and storage of administration, management, and operations records of the Trust Management System to include financial source documents required by policy and procedure, all supporting lease and lease production documentation, and reference documents (e.g., 25 CFR) and government forms.

- Indexing of all documents and records that will be stored

- Provide imaging services for land title documents and maps and all other documents deemed a requirement for imaging

- Provide disaster recovery protection for all archived documents

- Provide retrieval services of land title documents and other Trust Management System historical records to the trust organization, to the American Indian Tribes, to other government agencies and institutions, and to academic and research institutions.

Features—National Indian Fiduciary Records Center

- Central repository
- Leased building sized to house full-time and temporary employees, support equipment, and records storage
- Hard copy and electronic storage for 500 million pages of records
- Documents include, but not limited to, those listed in 16 BIAM and BIA Records Control Schedule 96
- Digital imaging and computer output to laser disk
- Digital storage of other TMS records
- Hard copy storage of land title documents and other TMS records
- Seamless integration of digital and hard copy storage documents
- Scanning of title documents and other records at point of origin and transmittal digitally to central repository
- Document indexing utilizing an unique identifier with all related documents and records having the same unique identifier
- Control measures to ensure that all documents captured have the proper related document images
- Multi-level security and control
- Open architecture to be able to integrate with other TMS applications
- Repository for the TAMAS and LTRMS databases
- On-line access from any approved location via the independent trust organization WAN
- Disaster recovery database storage at a separate facility sufficiently distant to assure a common disaster will not destroy both sites
- Sharing of scanning and imaging equipment with the Technology Services Center for LTRMS recordation and imaging activities

Distributed scanning equipment at field and/or region offices where lease transactions occur (unique document index identified entered on document or record prior to scanning and transmitting to NIFRC.

Appendices 8A and 8B provide additional details.

8.5 Document Imaging

Document imaging is the fifth element of the Trust Management System support infrastructure. Document imaging means to scan hardcopy documents, converting them to electronic files.

Needs and Requirements—Document Imaging

Document imaging operations are needed for:

1. Clean-up of the current backlog, estimated at 6 million pages of active documents and 500 million pages of inactive documents. Hard copies of the active documents need to be imaged, then retained at their point of origin so long as they are needed for day-to-day operations. The remaining 500 million pages categorized as inactive (not needed for day-to-day operations, although extremely important and required to be retained in the NIFRC for purposes of litigation and other possible uses) are to be shipped to the NIFRC for assessment, followed by imaging on a priority basis (estimated 1 million pages per year).

2. Steady state operations of title document and leasing recordation. OST estimates about 2 million pages of trust documents to be generated each year, which equates to about 8 pages per day per site.

There are a total of 135 sites requiring the capacity for imaging. They are distributed as follows:

Agencies:

- Forestry offices (in 20 agencies)
- Oil and gas offices (in 5 agencies)
- LTROs (in 6 agencies)
- Other (in 86 agencies)

Area Offices (12)

Headquarters (6)

Features—Document Imaging

- Backlog at sites:
  - *Active* documents imaged by contractor onsite; hard copies retained at site so long as they remain in active status
  - *Inactive* documents shipped to the NIFRC for assessment and imaging on a priority basis.

- Steady-state imaging at sites by government employees assigned to the sites, with assistance from experts in the NIFRC as needed.

Appendices 8A and 8B provide details.

8.6 End User Workstations

The last element of the Trust Management System support infrastructure, required to allow end-users to utilize the new information infrastructure, is the end user workstations.

Needs and Requirements—End-User Workstations

The existing inventory of hardware and software, though of better quality, and in greater numbers, than anticipated, still require that new hardware and software be purchased, and old hardware and software be updated, for the users to be efficient and capable of performing their work.

Features—End-User Workstations

- New workstations to replace outdated workstations
- New workstations to fill gaps, particularly at the Tribes, and to account for future growth
- Encryption technology in the workstations to ensure security of data transmissions over the network
- Surge protector and universal power supply (UPS) devices to physically protect the workstations from electric power fluctuations, surges, etc.
- New Office Pro software for word processing, spreadsheets, data bases, and e-mail
- New software for indexing electronic documents and transmitting them to the MEA in Albuquerque
- Three-year warranties to eliminate maintenance costs for the first 3 years.

Appendices 8A and 8B provide details.

Training

9.0 Introduction

This Chapter and its Appendices provides the internal and external user training recommendations for the Indian Trust migration to a commercial-class trust system within the new OST information infrastructure. Detailed training recommendations based on both user needs and anticipated system needs are provided. Time and cost estimates for the delivery of training are also detailed.

The Chapter is divided into two parts: (1) Function/Task Training and (2) System Implementation Training. Field findings (see Chapter 6) clearly indicate a need to retrain virtually everyone in a new AITDA organization with baseline functional skills and knowledge relevant to their new job. This baseline function/task training is a necessary first step in the formation of the new organization.

The function/task training establishes the new patterns of working relationships, reporting structures, business processes, policies, and procedures. It clearly establishes job descriptions and tasking relationships based on the functional needs of the AITDA organization and its account holders. Performance standards and the achievement of "commercial-class" fiduciary results become a clear expectation.

However, the ongoing function/task training is not sufficient to create the change in AITDA and Tribal personnel necessary to implement a commercial-class trust system. AITDA implementation training needs to be provided at two levels. First, there must be training related to the implementation of the new "information system infrastructure"(IS) to enable end users, IS support staff, help desk staff, and application developers to use and support the system. Second, a comprehensive Trust System Training program needs to be provided enabling the development of a cohesive organization focused on account holder needs and requirements and totally committed to the achievement of Indian Trust fiduciary control.

9.1 Function/Task Training

Identification of Commercial Standard Trust Training Systems and Courseware

Appendix 9A contains a course catalog of training systems that may be available to OST to fulfill training needs. The catalog includes courseware provided by commercial vendors, OPM, universities and other educational institutions, professional organizations, and BIA and OST. This catalogue fills some of the training gaps revealed during the training analysis. The use of appropriate courseware will enable OST to respond to training needs relatively quickly.

Identification and Comparison of Government Trust Task Performance and Commercial Trust Performance

The project team was asked to develop a training plan that would help OST bring personnel job performance up to commercial trust standards. Since training is designed for and delivered to labor categories, we used those categories as our unit of analysis and measurement.

The next step was examining the trust organizational and labor category structure in the government trust organization and in several commercial trust organizations. We also examined trust job descriptions provided to us by one commercial organization. (Several others refused to share that information, declaring it proprietary.) We developed a table that listed the government trust labor categories in the project database, after which we attempted to link them to related commercial categories. That table is found in Appendix 9B, Trust Labor Category Identification and Gap Analysis.

Trust Labor Category Identification and Gap Analysis Skills Gap Analysis (Government vs. Commercial Sector)

During the performance of these tasks, several key findings were revealed. There is no unified organization with day-to-day control over management of the Indian Trust Fund and its assets. Instead, the Indian Trust Fund is served by at least four organizations that are split along the lines of land asset management vs. monitoring productivity vs. financial assets management and trust accounting. The four organizations have separate lines of authority, budgets, planning, quality control, and other administrative functions.

This organizational fractionation makes it essentially impossible to design and deliver meaningful, coordinated, standardized training to the collective trust personnel force.

Commercial trust organizations perform trust accounting and asset (including real estate) management within one clearly defined and governed organization. The lines of authority and the operation of budgets, quality control, strategic planning, and other critical administrative functions track back to one executive-level structure.

There are many labor categories in the BIA realty organization, and they are not consistently used. It is difficult to evaluate how the basic land asset management functions and tasks are performed because of the number of labor categories and how inconsistently they are used across the many Agency and Area Offices. That is, a single labor category (e.g., realty specialist) is used in various ways. Another unusual and confusing fact is that some land-resource-based labor functions are elevated to their own category (e.g., forester) while others are not (e.g., there is no equivalent oil and gas specialist).

In the commercial world, certain asset management tasks are gathered within one labor category and are fairly centralized. For example, the real estate assets–commercial manager performs or coordinates all land asset management functions (consults the real estate advisor; selects property managers and leasing agents; budgets; reports provides leasing plans; records lease delinquencies; initiates improvements; makes appraisals, valuations and acquisitions; and reviews legal documents) for a given area or account. In BIA, these management tasks for an equivalent region or account are spread among many personnel in a decentralized organizational model.

These tasks, which are considered significant in the commercial world, may not be performed or performed well in the government organization:

- Thorough, accurate monitoring of productivity levels for every Indian asset and the accompanying productivity reports to Indian owners

- Preparation and follow-through of a strategic plan or plans for Indian asset use for purposes of income generation

- Asset enhancement and improvement
- Planning for use of assets that are idle and not generating income
- Timely availability of asset profile reports for Indian owners.

Significant control is held by many BIA superintendents and social workers for IIM accounts placed in trust for minor children and disabled adults. The superintendents and social workers request and approve disbursements and also cause holds to be placed on these accounts. In the commercial world, this role is considered basic to assuring fiduciary control and quality and is performed by a trust administrator within the control of the trust operations organization.

None of the Indian Trust Funds management personnel are systematically employing personnel or organization performance measurement practices that are required by GPRA and that are essential to identifying training needs.

Identification of Government Trust Organizational and Functional Model Placement of Trust Personnel into the Model

An organizational and functional model, populated by the personnel who support it, is crucial for a training plan that serves so many organizations and functions. We developed a *proposed* trust organizational and functional model. **It is not meant to be a validated model, but rather a starting point for training plan purposes.** Our model reflects an internal, proposed, future OST model; the existing BIA model (to the best of our knowledge); and other trust-related organizations. It also reflects some preliminary suggestions based on our analysis of the commercial trust world.

Development of Improved and Proposed Government Trust Job Descriptions

After examining trust labor categories from several commercial trust organizations, including one that serves oil and gas interests, and performing a skill gap analysis, we created proposed government trust labor categories that reflected the commercial standards. We attempted to validate whether or not each change was truly *appropriate to the Federal government Indian Trust Fund environment.* These job descriptions are found in Appendix 9D.

Development of Required Knowledge and Skills for Each Trust Labor Category

Using the job descriptions, we identified sets of knowledge and skills necessary for personnel in each labor category to fulfill their jobs in accordance with commercial trust standards. They are found in Appendix 9E.

Identification, Description, and Selection of Existing Courseware Appropriate for Meeting Skills Gaps

We researched the list of trust courseware to determine whether or not any of that courseware would meet the training needs as indicated by the knowledge and skills sets. In other words, for every knowledge and skill set, we searched for classes that could provide students with that knowledge and those skills.

We used written research and analysis tools for this task, but they were too numerous to include in any practical way in this report. The results, however, are reflected in the overall training plan in which we schedule personnel for training using these existing courses.

Identification of Needed Courseware for Which There Are No Providers

This is a very important step because it identifies the fact that there are no adequate training resources available to deliver the skills needed for Government Trust personnel to perform their jobs in accordance with commercial standards. The list of needed-but-missing courseware is located in Appendix 9F. This list may also be viewed as the courseware *that must be developed*.

We also have suggested a task that is not truly a training task, but which will facilitate the training effort and foster improved communications among the government Trust personnel and Tribes. We propose the development of a news report that will inform the government Trust audience and Tribes about this project, its results, and the next steps. Many of the people we interviewed requested that followup information be sent to them when this project is completed, and this report would be an efficient, appropriate way to provide that information. The concept for the report is at the end of Appendix 9F.

Creation of Plan for New Training Material Development and for Training Delivery, Including Costs and Schedule

Appendix 9G and 9H contains two databases (Lotus) that present recommendations for training courseware development and training delivery and costs. We used a database so that OST managers would be able to alter the plan in the coming months. One database is for training delivery, the second is for courseware design, and the third estimates training vendor costs for existing courseware.

9.2 AITDA Implementation Training

The function/task training described in detail above responds to field findings that clearly indicate a need to retrain virtually everyone in the emergent AITDA organization with baseline functional skills and knowledge relevant to their new job descriptions. This level of in-depth training and education is a necessary first step in the formulation of the new–members of the existing OST, BIA-OTR, and LTRO will populate the new organization. The function/task training changes the old pattern of working relationships, reporting structures, business processes, policies, and procedures. It establishes clear job descriptions and business process relationships, based on the functional needs of the AITDA organization and its account holders. New performance criteria and standards are established and achievement of "commercial-class" fiduciary results becomes an expectation.

However, ongoing function/task training is not sufficient to create the change in AITDA personnel necessary to effectively implement a commercial-class trust system. Research in the area of complex systems change and project field data strongly supports the need to provide the following additional trainings and/or developmental activities:

- End-User Training for Tribes, AITDA Staff, and Others (MMS, BLM, BIA)
- End-User Support Staff Training and AITDA Help Desk Staff Training
- Application Developer Support Training

- Trust System Training.

These trainings and/or developmental activities are not only a required part of the new system roll-out during the period, FY 1998 to FY 2000 but also are necessary on an ongoing basis during later years to keep the AITDA operating at a commercial-class level of efficiency and effectiveness. Users' expectations and requirements will change, AITDA staff will turn over, and computer application software will be improved.

End-User Training for Tribes, AITDA Staff, and Others

End-user training for Tribes is recommended in two phases: a comprehensive training for new systems roll out, and ongoing maintenance training. The new systems training provides a thorough hands-on grounding for approximately 450 Tribal users in the operation of the new trust management applications software and its use. This grounding is coupled with an in-depth discussion of trust system options so that each Tribe can develop its own approach to funds management, investments, and developmental uses. IIM account holders are also trained to access computer-based information and to understand information concerning their own accounts.

End-user training for AITDA staff and others (MMS, BLM, and BIA) is also in two parts: the new system roll-out, and ongoing maintenance training. Approximately 1,535 system users will experience hands-on new system software training that is germane to their areas of responsibility. This training is coupled with a review of system documentation and the policies/procedures that establish performance requirements in their area of work. In addition, end users will understand how their part of the system interacts with the system as a whole to achieve commercial-class fiduciary results. This training will occur during FY 1998 to FY 1999 as selected sites come online at various geographic locations. Ongoing maintenance training follows in subsequent years.

It is anticipated that much of the end-user roll-out training will be vendor provided as it relates to software applications systems. However, AITDA system policies and procedures and ongoing software applications maintenance training will be provided by AITDA trainers or consultants.

End-User Support Staff and Help Desk Training

A need exists to extensively train 3 AITDA support staff at each of 12 regional sites and 8 help desk staff at a central help desk site to ensure the flawless performance of the new software and network hardware systems that underpin the new AITDA organization. Also, because of the technical nature of this training and the fact that the technology is in constant change, an ongoing update training is required several times each year.

Application Developer Support Training

It is projected that the AITDA system will need 10 software application developers on staff to be trained starting in FY 1998. Since these developers must first understand the AITDA system and all its software applications and then keep the system up to date, in repair, and well documented, it will be necessary to provide intensive training for each staff member during system roll-out and in all later years.

Trust Systems Training

A critically important dimension of the training requirement is the need for the AITDA management and field leadership structure to be fused into a cohesive, cross-functional organization. An organization focused on account holder needs and requirements and one totally committed to the achievement of American Indian Trust fiduciary control should be the expected standard.

The proposed organizational structure for the American Indian Trust and Development Administration is represented in Figure 9.2. This structure, proposed by the Special Trustee, is headed by a board of trustees, a chairman and chief executive officer, a chief operating officer, and seven directors who head functional departments. The departments are focused on trust resources management, trust funds management, trust finance and technological services management, trust archiving and records management, and trust risk management. This structure provides a useful framework upon which to build an organization committed to fiduciary control. Without cross-functional departmental communication and collaboration, the new organization will never achieve its full potential or the account holder partnership that is clearly articulated in the Special Trustee's 1997 Strategic Plan and supported by the project field research.

Recent applied research by J. Martin, E. Seashore, P. Senge and J. Womack agrees that in the engineering of a new complex system like AITDA, it is essential that all management team members, key field staff, and system partners participate in ongoing training and developmental activities. These trainings and activities help create a shared organizational vision, commonly held values, clear performance standards, results measurement criteria, and a system of rewards. The trainings also enhance cross-functional communication and foster the development of a cohesive process-focused organization—an organization that reaches out to include Tribes as partners in the new AITDA enterprise.

Initial roll out of these trainings and developmental activities assumes the need to train 300 to 320 individuals (AITDA and Tribal) at organizational startup, followed by continuing training during the second year. In addition, an ongoing cross-functional, trust systems training beyond the 2 year roll-out phase will involve 1,000 to 1,200 people across AITDA and the Tribes in order to keep the various elements of the organization aligned and functioning with a high level of collaboration and effectiveness. Costs related to this training will be recovered in time through the reduction of field failures and litigation losses.

AITDA's primary goals are to provide flawless trust management services to account holders and to fulfill its fiduciary mandate. If it is to achieve these goals, AITDA must reduce or eliminate errors in a variety of areas: records management, asset management, and funds management. If one graphs failure costs as a function of error detection versus AITDA implementation training costs, some interesting results are shown. As errors are reduced or eliminated before they affect account holders, the overall cost and potential litigation loss risk to the system is reduced. As overall implementation training costs rise, potential error costs to the system are reduced. Therefore, comprehensive AITDA implementation training is a cost-reducing investment in the long run.

In his book *The Great Transition*, James Martin discusses "enterprise engineering" as an approach to align strategy, technology, and people in the creation of fast, flexible, learning organizations that function flawlessly. It is clear that as AITDA moves forward into the implementation phase of enterprise engineering, the risks related to total system failure will be greatly reduced with the inclusion of trainings and developmental activities discussed above.

Government Services Capability

10.0 Introduction

Adequacy of Existing Services

Existing Government resources cannot currently meet the needs and requirements of internal and external trust system users and cannot now provide account holders with accurate and timely information. A single organization needs to be formed that controls the trust system and has sufficient funding to provide for staffing, training, data clean up, and for the acquisition of a commercial trust software system (See Appendix 10A).

10.1 Office of the Special Trustee (OST)/Bureau of Indian Affairs (BIA)

Based on field interviews, it was made clear that many sites are underfunded and understaffed. Downsizing has occurred and budgets have been reduced in recent years (9 percent in FY 1996) although workloads have increased. In fact, some Tribal representatives have predicted that user needs and requirements will grow as trust system services improve and become more publicized. The Supreme Court's ruling on fractionated land ownership has also resulted in increased work by field staff, especially those who work on probate cases.

Current staff (both OST and BIA) have not been provided enough training in trust-related activities (See Chapter 6) to operate effectively on a daily basis. There appears to be far too many referrals to OST staff in Albuquerque to resolve trust issues that should be completed routinely in the field (e.g., customer service inquiries and verification of distributions). Without comprehensive training soon, field staff may continue to handle their burgeoning workloads by increasing their referrals to OST Albuquerque and/or delaying service to account holders. Neither of these responses are acceptable.

Currently, there are few field staff with trust banking experience. Employee position descriptions are not being used effectively, if at all, to provide guidance on even the most routine office tasks. A workforce with less than adequate trust system training now faces account holders who are becoming more and more sophisticated about their trust asset requirements.

Field staff must have the background, experience, and capability to address the growing needs of account holders. Strategic hiring of key staff with prerequisite trust banking credentials is of critical importance.

In addition to the hiring of key staff with trust banking experience, it is apparent that understaffing is also a major problem. Rather than focusing on building up a large new staff (who would also require training, equipment and supplies), a "service bureau" approach to support key trust systems (i.e., trust accounting, asset management and land title recordation) appears to be a most effective strategy. This approach will insure that data processing services are provided to the trust system in an efficient and effective manner within current staffing levels plus add more control and flexibility than exists in the current environment. A service bureau provides off-site data processing services. Inputs and analyses will continue to be performed by OST staff.

Two other key Government agencies, the Office of Hearings and Appeals (OHA) and the Minerals and Management Service (MMS), currently provide the trust system with services. An additional agency, the National Archives and Records Administration (NARA) may be utilized in the near future to address long-term archiving of Indian Trust documents.

10.2 Office of Hearings and Appeals (OHA)

The Department of Interior's OHA provides administrative judges to the trust system for adjudicating probate cases. As mentioned earlier in this report (See Executive Summary), the twelve administrative law judges and their supporting staffs (i.e., 1 paralegal and 1 secretary), are each currently able to complete only 20-30 probate cases per year. This is primarily due to their other duties which include public land cases, and appeals, which reportedly hold higher priorities than Indian probate cases. It is recommended that OST acquire the services of other Government branches (e.g., Justice Department) to reduce the estimated 3,000 - 4,000 backlogged Indian probate cases.

10.3 Minerals and Management Service (MMS)

The Department of Interior's Minerals and Management Service (MMS) located in Lakewood, CO processes the trust system's oil and gas royalty payments from leases from which the Secretary of the Interior has trust responsibility. Most payments are wired to MMS and deposited to Treasury, however overnight transmission of batches to Albuquerque's Royalty Distribution and Reporting System (RDRS) for distribution, delays the accrual of interest. This loss of interest has resulted in the perception by many account holders of substandard performance on the part of MMS. In addition, account holders believe that they are not getting the full value from their wells since neither production volumes nor product valuation is checked with sufficient frequency. A site visit to MMS in January 1997 revealed that their functions and processes appeared to be in control, as did their audit function related to validity checks of purchaser reports. It is anticipated that the trust system will continue to utilize MMS as a "service bureau" provider for processing oil and gas royalty payments. It is recommended that, since MMS will be tested as a service bureau, OST provide specific requirements for the automatic transferring of payments to RDRS. If these requirements cannot be met, OST should explore opportunities for contracting this service out to the private sector.

10.4 National Archives and Records Administration (NARA)

The National Archives and Records Administration (NARA) provides Federal agencies with guidance on the management of their records. NARA also includes Federal records centers located throughout the United States for archiving Federal documents.

A national archives is required by the trustee with a capacity for deep storage (long-term) and quick retrieval of records. It is noted here that one of the NARA Records Centers (e.g., Denver, CO, or Ft. Worth, TX) could be used to house the Indian Trust's deep storage records, however, quick retrieval services appear inadequate.

The ideal scenario includes the management of the trust asset system by a single organization;

acquisition of a new commercial system supported by data processing from service bureaus; the hiring of key staff with trust banking experience; the training of all staff in trust-related activities and in the transition to a new trust system; the establishment of a national archives for records storage; the clean up of all records; and the clearing of backlogged probate cases. Implementation of this scenario would meet the Secretary's fiduciary responsibilities, provide account holders with the information to which they are entitled, and would increase the effectiveness and efficiency of overall services to trust beneficiaries.

Next Steps

11.0 Introduction

The recommendations provided in Chapter 11 are intended to accomplish four crucial tasks:

1. To provide account holders with accurate and timely account information
2. To enable the current trust system to meet commercial standards
3. To "clean up" and store trust records
4. To enhance the capability and efficiency of trust system staffs by providing trust-related training to all staff tailored to meet their specific needs; by implementing a new information technologies infrastructure including communications (wide-area and local-area networks), document imaging operations, electronic (and hard copy) archiving, and end user infrastructure (workstations and printers); and, by hiring key staff with academic backgrounds and experience in trust banking.

While each of these tasks may be addressed separately to achieve short- and long-term improvement goals, an integrated implementation approach is preferable for attaining maximum leverage in the adoption of enhanced business polices, practices and procedures.

11.1 Systems Integration Team

In the 5-year Strategic Plan it is recommended that twelve new trust administrative regions (including regional and field offices and the Tribes they serve) be converted to the new commercial trust system within two years (FY 1998 - FY 2000). In order to complete this bold plan within the timeframe allotted, a rapid start up is necessary beginning in late FY 1997. Key conversion tasks over the 2 years include:

FY 97	FY 98	FY 99	FY 2000
Start UP	Planning	Planning	12 Regions
Planning	Region #1	Regions 7-12	Single system
Management	Management	Management	
Vendor Selection	Backbone	Backbone	
Site Selection	Training	Training	
Staffing	Hardware	Hardware	
Training	Software	Software	
Hardware	Regions 2-6	Logistics	
Software	Dual System	Dual System	

It is estimated that each regional office, on the average, will be supported by nine field offices providing services to 25 Tribes. This translates into an average of 125 Tribal accounts per region and 29,167 individual Indian accounts.

Over the 2 years that this conversion is to take place, current practices and procedures will continue in parallel. Current OST staff, already extended to the maximum by daily operations, will be unable to manage the conversion process on a daily basis with the attention that is required to insure success. They will be unable to manage the interface with service bureau providers and the many technical decisions that must be made to insure that the information technology will meet the demands of the new system. They will be unable to manage the transition process for such a mammoth undertaking that will entail the preparation and training of the current staff at each site (i.e., 120 offices and 300 Tribes) for the changes in policies, procedures and practices required to implement the new system. Finally, current staff will be unable to manage the implementation of the new system at the converted sites while continuing to manage the existing system.

Role of Systems Integration Team

A systems integration group is required to manage the three major phases of the conversion process:

Planning Phase
Transition Phase
Implementation Phase

Planning Phase

The procurement of commercially available trust systems (trust accounting and asset management system; and, land title and recordation system) and the acquisition of an information communication system (backbone) are prerequisites for implementing the conversion of the existing system to the new trust system. Based on their knowledge and understanding of system requirements, the systems integration team can assist OST management with the selection of service bureau providers and work with the awardees to develop the new trust system to meet organizational requirements. Establishing the new system in Albuquerque, NM would be one of their first steps.

The systems integration team would develop a draft design of the overall conversion process for the 12 regional offices, the 108 field offices and 300 Tribes. This written plan would include a detailed outline of all transition and implementation tasks and activities for the entire conversion, including training, configuration management, staffing, data clean up, records management, vendor interface, and cost estimates.

Plans would also be developed for each selected conversion site and would include most of the elements mentioned above, although they would be tailored for individual sites. It is anticipated that each individual site plan would be flexible and unique within the trust system.

The draft plan will be reviewed and approved by OST officials prior to the start of the next phase. It is recommended that an OST "shadow" management team be formed during this phase to work with the systems integration team as counterparts throughout the project.

Major Tasks

The major planning tasks of the systems integration team during the Planning Phase will include, but not be limited, to the following:

- Planning the conversion (global and individual sites)
- Coordinating planning efforts with OST officials
- Assisting with the selection of service bureau vendors
- Designing conversion plans with OST staff at selected sites
- Developing logistics plans for each office and Tribal location
- Developing a training plan for staff at each selected site
- Developing a comprehensive budget for each site with fiscal controls and reporting procedures
- Developing a Site Conversion Plan for each selected site
- Establishing the new system in Albuquerque, NM
- Revising policies, procedures and practices with OST officials

Transition Phase

Without a doubt, the transition period for each conversion site will be a difficult one. Besides maintaining their current operations and providing normal account holder services, staff will be undergoing training on new policies, procedures and practices; learning to use new equipment and systems; and reviewing new approaches for providing improved account holder service.

Maintaining a dual system will result in considerable stress upon an already-stressed organization. As systems are installed at one site, training will be underway at another. As records are identified and files updated at one site, new employees will be learning about customer service at another. The systems integration team will need to pay particular attention to the rate at which change is accepted at each individual site, and by the systems users at that site. A critical task during this phase will be the organizational development and team building work that must be done to insure a successful transition to the new trust system.

During this phase (and all other phases) it will be important for the systems integration team to communicate progress with OST management continually to insure a smooth transition for managing the new system. Team members may also interface with OST and other government organizations (e.g., Minerals Management Service, Bureau of Land Management, and Bureau of Indian Affairs). Their goal will be to insure that the OST management function is involved in the transition on a continuing basis. This involvement will also insure that OST managers will be prepared to guide the new system when the implementation phase is completed.

Major Tasks

The major tasks of the systems integration team during the Transition Phase include, but are not limited, to the following:

- Coordinating data clean up efforts to align with implementation phase
- Conducting and/or subcontracting for the training of data-clean-up staff
- Assisting in the identification, imaging and storing of files, leases and records
- Conducting training task analyses for staff
- Designing training programs for staff in trust-related activities
- Conducting and/or subcontracting for training in trust-related activities

- Monitoring service bureau providers
- Advising service bureaus in the configuration of the trust system to meet the special needs of regional/field offices and Tribes (e.g., assets, judgments, treaties, and training)
- Reporting to OST officials
- Working with the OST "shadow" management team
- Reviewing policies, procedures and practices changes; a continuing process throughout the transition phase to ensure all required corrections, revisions, and additions are valid and adopted.

Implementation Phase

According to the Strategic Plan's timetable, the conversion of each region will be completed by FY 2000. However, as individual regions complete their transitions and begin to implement the new trust system, the role of the systems integration team will be to provide managerial assistance to each implementing region and to the OST "shadow" management team. Inevitably there will be problems with the implementation of various elements of any new system. The systems integration team will provide direct management responses and/or support OST managers in responding to implementation problems.

This phase will also include followup training activities for each individual site. This training will insure that progress made during the transition phase will not be lost because of neglect or lack of practice (See "Two-Year Training Emphasis" below).

By FY 2000 all 12 regions will be operating with the new trust system. The role of the systems integration team will continue to be one of providing specific management assistance to individual sites; however, a key shift will be in the support of the OST shadow management team, which will fuse with the OST management team in FY 2000. The systems integration team will increase the amount of time they spend with the OST management team in such areas as customer service, continuous improvement, organizational development, configuration management, maintenance and operations oversight, and staff development. This time spent will insure that OST managers are fully prepared to assume the full-time duties of managing the new trust system.

Major Tasks

The major tasks of the systems integration team during the Implementation Phase include, but are not limited to:

- Providing management assistance to OST managers (formerly the shadow management team)
- Providing managerial assistance to each of the OST offices in the implementing region
- Serving as a technical resource to OST in such areas as organizational development, team building, continuous improvement, training, maintenance and operations, and management consulting
- Conducting a final review of poliies, procedures and practices; training all OST personnel in methodology used and continue to assist in the analysis of all areas to capture ongoing changes and additions.
- Reporting to OST officials

The planning, transition and implementation phases can be designed with enough flexibility to effectively manage any adjustments and modifications in the conversion process. For example, if

funding were only available for one region to be converted to the new trust system (at least one Tribe has expressed an interest in participating), most, if not all, of the activities described above would still be required by a systems integration team. In this example, the 2-year conversion goal for all 12 regions would, of course, be modified.

11.2 Role of Overseer

While the systems integration team provides direct assistance to OST through the three phases of the conversion process to insure a successful roll out of the new trust system, it is recommended that the oversight function be performed by the U.S. Government.

The contracting of services is anticipated for the role of the systems integration team since the expected level of effort to provide conversion management and the comprehensive number of tasks over the FY 1998 - FY 2000 timeframe is enormous and far exceeds the capability of current OST staffing levels. However, the oversight functions should ideally be performed by a group with vested interest in the trust system, that is, a group who is impacted by the implementation of the new trust system. The oversight group should also have an "arms length" association with OST management to assure objectivity.

It is recommended that the Special Trustee's Advisory Council perform the oversight function for the three phases of the conversion process. They represent trust beneficiaries and the private sector, thus maintaining objectivity while being vested in the outcome. Throughout the process, the Advisory Council may call upon specialists (e.g., representatives of the Inspector General's office and/or General Services Administration) to provide them with specific information pertinent to a particular technical aspect of the roll out.

11.3 Two-Year Training Emphasis

The conversion of 12 regional offices, 108 field offices and 300 Tribes within 2 years (FY 1998 to FY 1999) will not be successful unless an emphasis is placed on the training of current and new staff in trust-related activities.

This report identifies critical training activities that have been either suggested by current users of the system and/or have been recommended by the project team based on the data and field observations of our training experts (See Chapter 9). Both short- and long-term productivity improvements and sustained quality improvements can be gained by embarking on a proactive and bold training effort within the trust system.

For example, many of the skill-building activities that have been suggested by users can be accommodated through the implementation of short-term training programs (e.g., computers, communication, problem solving) at regional locations. However, this training will not adequately handle those trust employees and Tribal users who cannot leave their sites. Distance learning methods (e.g., videos, computer diskettes, and Internet) may be more cost effective in those cases.

The conversion of multisites to the new trust system presents unique challenges in the field of training. While short-term productivity should be considered important, the long-term effectiveness of staff

working within an efficient trust system, may be of even greater consequence to the organization.

The training that is required to operate the various elements of the new system must be provided in order for employees and users to understand and use the system effectively. For example, there were many stories in the field related to the introduction of new computer programs that worked quite well when the installer set them up and demonstrated how to use them before he left. Many of these programs were rarely or never used again because employees did not have sufficient training and reinforcement to use the equipment effectively. In order to avoid this situation with the new trust system, a major training emphasis must be provided with followup programs scheduled several times within the first 2 years. This effort corresponds to the overall conversion of all 12 regions.

In order to provide staff with the skills necessary to successfully meet their daily work requirements for the new system, training funds are needed at the beginning of the conversion phase (FY 98) to begin immediate preparation of OST staff and Tribal users.

Impact of Delays or Cancellation of Training

Any delay or cancellation in the implementation of skills training will result in unacceptable lag time in the effective implementation of the new trust system. This lag time will result in AITDA not achieving the four crucial tasks outlined at the beginning of this chapter. Even a 5-year roll out will not provide the training needed in time to prepare staff for the conversion to the new trust system according to the Special Trustee's 2-year plan.

The impact of delays or cancellation of training on AITDA staff may include, but are not limited, to the following:

- Not meeting the 2-year timeframe for system conversion
- Not providing required services to account holders
- Continued reliance on outdated methods (e.g., manual acccounts and paper records)
- The continued risk of losing records and files to disasters
- Continued reliance on a staff with less than acceptable skills in trust-related activities

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11.4 Costs of Poor Quality Due To Inadequate Training

Over the past seven years, a great many research and industry studies have documented the costs of poor quality in the government and private sectors. Much of this work has centered on white collar productivity. As far back as 1989, the American standard for quality failure costs was a minimum of 20% of sales. Chief Executive Officers from companies such as Xerox, Motorola, General Motors, AT&T have consistently validated this standard. There is a general impression that the standard of white collar quality failure costs may be as high as 30% of sales.

White collar costs of poor quality are directly tied to delays, cost escalations, and rework due to a wide range of failures. Examples of these failures include: too few qualified staff; lack of role, responsibility and accountability clarity; equipment down-time; inadequate data back up and recovery procedures; and poor supervision. The absence of effective training is a common thread throughout these conditions. According to TRAINING Magazine's *Industry Report*

1996, US corporations budgeted $58.9 billion for training last year, 25% of which was spent on

information technology training. In addition, electronic performance support systems (EPS) are growing rapidly among organizations who want to leverage training expenditures.

Training needs to focus not just on the technical competencies in running a system, but also the productivity and work ethic of the managers and employees throughout the system. The highly regarded Yankolovich group has consistently documented the connection between high productivity and the commitment of workers. They estimates that 61% of white collar workers have a high degree of discretion in terms of how they use their time when on the job. The lack of commitment on the part of workers to use their time most effectively can produce enormous drops in productivity. When polled on what kind of work environment would produce more commitment, white collar workers consistently identified such characteristics as opportunities for improved abilities, good chances for advancement, a challenging job, and recognition of good work. It is clear that an effective system is not only dependent upon a basic core of technical skills, but also upon a work environment which facilitates a maximum utilization and recognition of these skills. Training managers to create this environment appears to be almost as important as improving the technical skills of the workers.

When the present system is upgraded, and effective and efficient operation become standards of service, training will play an even more important role. The return on investment in the proposed new software tools, equipment, and technology will be dramatically reduced if a corresponding adequate investment is not made in training the users and managers of the new system. Consequently, the training line item in the proposed budget (see appendix 10A) is extremely important to insure that the total overall investment is realized to its fullest potential. Neglect of this line item could result in a delayed or uneven implementation of the entire system. In the worst case, a lack of adequate and effective training could result in a failure to field the new system.

11.5 Role Agreement Between OST and BIA

Based on the data collected in the field, the relationship between the Office of the Special Trustee and the Bureau of Indian Affairs field employees is strained and in need of immediate attention.

There is much confusion and lack of understanding in the field regarding the roles of OST and BIA in the trust management process. This has caused much discontent among field staff from both organizations. In spite of this atmosphere, it is both satisfying and gratifying that the majority of the personnel interviewed, both OST and BIA, appeared to be dedicated to their jobs and willing to make the most of what they consider to be a difficult situation.

The implementation of a new trust system will require the cooperation of field staff of both organizations. Although the trust system may ultimately be operated separately, the organizations are inexorably linked because they serve the same clients—individual Indians and Tribes—and they are staffed by the same type of employees—individual Indians who live and work together in the same communities.

A completed agreement between the two organizations will provide much-needed leadership and guidance to trust and BIA employees across the United States. Instead of the misunderstandings, jealousies and frustrations so typical of their working relationships today, performance guidelines will aid employees in focusing on their primary responsibilities—providing service to account holders.

Glossary

A B C D E F G H I J K L M N O P Q R S T U V W X Y Z

A

Account Holder	Trust beneficiaries including Individual Indians and Tribes
ACH	Automatic Clearing House
Active Files	Hard copy documents that are currently needed to conduct daily activities
AITDA	American Indian Trust and Development Administration
AITDA-NET	Communications network for AITDA
Allottee	Individual Indian who receives a disbursement of an allotment
ALMRS	Automated Land Management and Recording System
ATM	Automated Teller Machine
ATM	Asynchronous transmission mode

B

BEA	Backup Electronic Archive
BIA	Bureau of Indian Affairs
BIAM	BIA Manual
BIANET	Bureau of Indian Affairs Communication Network
BLM	Bureau of Land Management
byte	Common unit of computer storage comprising 8 bits. (Bit is a binary digit)

C

CD-ROM	Compact Disk—Read Only Media (Standard computer equipment product)
Communications "Backbone"	Fundamental structure for routing communication
Compact Tribe	Self-governing Tribe recognized by the U.S. Government
CNE	Certified Network Engineer

D

Direct Dial Link	Refers to ability to use communication lines to access account information
Document	Recorded information regardless of physical form or characteristics
Document Imaging	The electronic capture of a document
DOI	Department of the Interior
DOINET	Department of Interior Communication Network
DOPs	Desk Operating Procedures

E

EFT	Electronic Funds Transfer
EIDE	Enhanced Integrated Drive Electronics (a hardware interface)
End User	Internal or external customer of the trust system (i.e., OST, Tribal, BIA or other)
Enrollee	Individual officially recognized as Tribal member

F

FASB	Financial Accounting Standard Board
FAX	Facsimile Transmission
FDD	Floppy Disk Drive
FDIC	Federal Deposit Insurance Corporation
FFS	Federal Financial System
Firewall	Security hardware/software which prevents unauthorized access to a computer or network
Fractional Interests; Fractionated Ownership	Refers to undivided land inherited generation after generation

G

GB	Gigabyte (A computing size measurement, one billion bytes)
GFR	Government furnished equipment
GIS	Geographic Information System
GPRA	The Government Performance and Results Act of 1993
GPS	Global Positioning System
GLS	General Ledger System

H

HDD	Hard Disk Drive

I

Imaging	Process of scanning hard copy documents to convert them to electronic documents or files
Imaging Backlog	An accumulation of hard copy documents to be imaged
Inactive Files	Hard copy documents that are no longer required on a daily basis
IIM	Individual Indian Monies
Intangible Property	Refers to insurance policies, stock options, annuities, limited partnerships, wills, powers of attorney
IRMS	Integrated Resource Management System

J

JukeBox	A large disk storage device

K

KB	kilobyte (one thousand bytes)

L

LAN	Local Area Network
LRIS	Land Records Information System
LRHIS	Land Records History and Imaging System
LRS	Land Records System
LTRMS	Land Title and Records Management System
LTRO	Land Title Recordation Office

M

MB	megabyte (one million bytes)
MEA	Master Electronic Archive
MMS	Minerals Management Service (located in Lakewood, CO)
MS	Microsoft (brand name)

N

NARA	National Archives and Records Administration
NIC	Network Interface Card
NIFRC	National Indian Fiduciary Records Center
Nodes	A communications access point
Non Compos Mentis	Adults deemed to be incompetent for managing their own accounts

O

OAIT	Office of American Indian Trust
OHA	Office of Hearing and Appeals
OMNI-TRUST	Accounting system which tracks cash and various financial investments
OPM	Office of Personnel Management
OSC	BIA's Operations Services Center
OST	Office of the Special Trustee for American Indians
Overnighter	Refers to the sweeping (deposit) of investment funds into a short-term, interest-bearing account
OTFM	Office of Trust Funds Management

P

PC	Personal Computer
Probate	Estate administration following the death of an Individual Indian

R

RAM	Random Access Memory
Resource Firms	Banking institutions providing additional project support (i.e., NationsBank, Riggs Bank, State Street Bank and Trust)
Risk Management and Control System	May provide an independent assessment of the trust system's accounting, reporting, and internal-control practices.
RDRS	Royalty Distribution Resource System

S

SCSI	Vendors providing data processing services to the trust system (e.g., MRI, Petro Data, SunGard, SEI, Blue Star, PDS Services, etc.)
Service Bureaus	Vendors providing data processing services to the trust system (e.g., MRI, Petro Data, SunGard, SEI, Blue Star, PDS Services, etc.)
Steady State Imaging	Imaging of hard copy documents starting now and continuing on.
Subsurface	Refers to revenue-producing activities including oil and gas, sand and gravel, coal, copper, and other minerals
Surface	Refers to revenue-producing activities including range grazing, timber, water, fisheries and developed real property

T

Tangible Property	Refers to jewelry, furniture, silver, china, art, etc.
TAAMS	Trust Asset and Accounting Management System
TB	terrabyte (one trillion bytes)
Technology Services Center	Repository of trust fund management expertise
Title Plant	Refers to maintaining a current and historical chain of title on a tract of land
Trust System	Refers generally to all elements of the trust system (i.e., financial assets, real property, tangibles and intangibles, records, archives, and all management activities)
TMS	Trust Management System (Consists of TAAMS and LTRMS)
Trust Beneficiaries	Account holders
Trustee of Indian Trust	The entity with ultimate fiduciary responsibility

U

UPS	Universal Power Supply
USDA	U.S. Department of Agriculture

W

WAN